

August 2018

Trust in water

**Proposal to vary the conditions of appointment  
of Severn Trent Services (Water and Sewerage)  
Limited as a sewerage undertaker**

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## 1. About this document

This notice is a consultation, under section 13 of the Water Industry Act 1991 (“**WIA91**”), on our proposal to vary the conditions of appointment of Severn Trent Services (Water and Sewerage) Limited (trading as Severn Trent Connect) (“**STS**”) as a sewerage undertaker. We have STS’ consent to vary its conditions of appointment as a sewerage undertaker.

The consultation period will last for 28 days from the date of publication of this notice. Having considered any representations submitted during the consultation period in response to this consultation notice, Ofwat will decide whether or not to grant the variation of the conditions of appointment set out above.

## 2. Background

STS is part of the Severn Trent Services UK Companies within the Severn Trent Group, and is a wholly owned subsidiary of Severn Trent Plc.

On 21 December 2015, Ofwat granted an appointment to STS as a sewerage-only company enabling it to become the sewerage services provider for a development of household properties in Thames Water Utilities Limited's ("**TMS**") sewerage services area called Wellesley in Aldershot. This allowed STS to replace TMS as the provider of sewerage services for Wellesley in Aldershot. At that time, Ofwat agreed a set of conditions of appointment with STS that governed this new appointment. This appointment recognised STS as the provider of sewerage services only.

On 3 April 2017, STS submitted an application to Ofwat to vary its existing appointment as a sewerage undertaker, and to be granted a new appointment as a water undertaker in order to provide both water and sewerage services to a site in Basingstoke, Kent called Aurum Green. The site was in South East Water's ("**SEW**") water supply area and TMS' sewerage services area.

Following a [public consultation](#) on a proposal to vary STS' existing appointment as a sewerage undertaker, and to be granted a new appointment as a water undertaker, to enable it to provide both water and sewerage services, both the variation and the new appointment were granted on 20 July 2018.

### **3. The proposal**

STS was appointed as a sewerage undertaker on 21 December 2015. On 20 July 2018, STS' existing appointment as a sewerage undertaker was varied and it was granted a new appointment as a water undertaker.

As a consequence of granting the above new appointment and varying the existing appointment, it will be necessary to vary STS' conditions of appointment as a sewerage undertaker so that the consolidated licence conditions relating to STS as a water and sewerage undertaker are contained in one Instrument of Appointment.

STS' original conditions of appointment only referred to its appointment as a sewerage undertaker. Ofwat proposes to vary STS' conditions of appointment as a sewerage undertaker to consolidate STS' conditions of appointment as both a water and sewerage undertaker. While there are no substantive changes proposed to STS' original conditions of appointment as a sewerage undertaker, the above proposed variation to its conditions of appointment will reflect the consolidation of its appointment as both a water and sewerage undertaker.

## 4. Next steps

We are currently minded to vary STS' conditions of appointment as a sewerage undertaker to consolidate its conditions of appointment as a water and sewerage undertaker. We are consulting on our proposal to do so.

### Where to send submissions

Any person who wishes to make representations or objections with respect to the application should do so in writing to Chris Daly at Centre City Tower, 7 Hill Street, Birmingham, B5 4UA or by email at [chris.daly@ofwat.gsi.gov.uk](mailto:chris.daly@ofwat.gsi.gov.uk)

Representations must be received by Ofwat no later than 17.00 hours on 27 September 2018. Further information about how to make representations or objections, including information on the treatment of confidential information, can be obtained from Ofwat at the above address or at <http://www.ofwat.gov.uk/foi/>

Ofwat will only use the information you have provided for the purpose of this consultation. We will retain your information in accordance with Ofwat's retention schedule and will not share with third parties unless we have a legal obligation to do so. For further information please see Ofwat's Privacy Policy in our [Publication Scheme](#).

Ofwat (The Water Services Regulation Authority) is a non-ministerial government department. We regulate the water sector in England and Wales. Our vision is to be a trusted and respected regulator, working at the leading edge, challenging ourselves and others to build trust and confidence in water.

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