Variation of Independent Water Networks Limited's appointment to include Gib Lane (Phases 7-11), Blackburn

On 1 November 2022, Ofwat began a <u>consultation</u> on a proposal to vary Independent Water Networks Limited's ("**Independent Water Networks**") appointment to become the water and sewerage services provider for a development in United Utilities Water Limited ("**United Utilities**") water supply area and sewerage services area called Gib Lane (Phases 7-11), Blackburn, Lancashire ("**the Site**"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 29 November 2022. During the consultation period, we received one representation from United Utilities which is summarised in Section 1 of this document.

We will only make an appointment or variation if our assessment concludes that the application meets the criterion it has been made under; that customers or future customers on the site will be no worse off than if the site had been served by the existing appointee; and if the applicant will be able to finance the proper carrying out of its functions as a water and sewerage company. As set out in our consultation we are satisfied this is the case. The responses we have received to the consultation have not changed that view.

Having assessed Independent Water Networks' application and having taken account of the responses we received to our consultation, we decided to grant a variation to Independent Water Networks' area of appointment to allow it to serve the Site for water and sewerage services. This appointment became effective on 22 February 2023.

The Site Maps for the variation can be found in Section 2 of this document.

The Variation Notice legally making the variation can be found in Section 3 of this document.

1. Responses received to the consultation

We received a response to our consultation from one organisation: United Utilities. We considered this response before making the decision to vary Independent Water Networks' appointment.

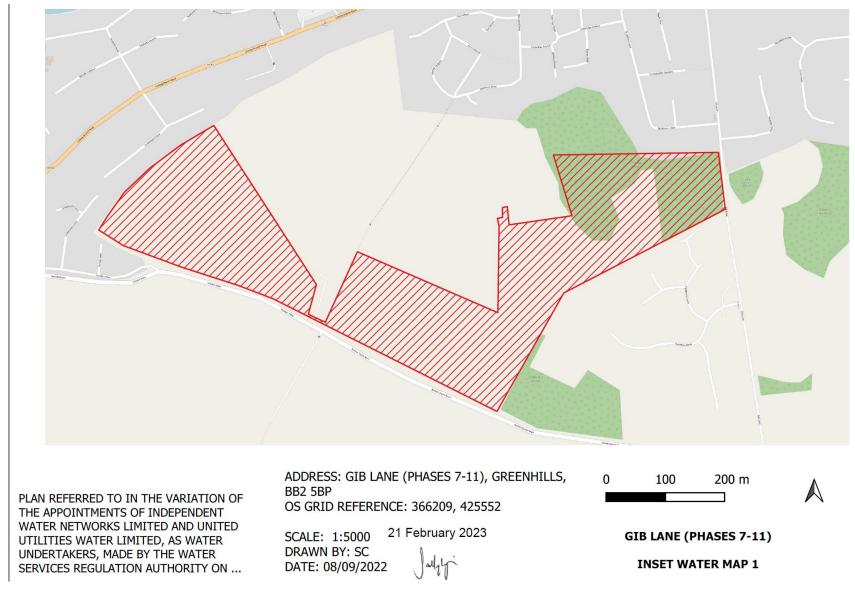
United Utilities

United Utilities highlighted that the maps in the public consultation published on 1 November 2022 were different to the maps that Independent Water Networks had presented to United Utilities for assessing the unserved criterion.

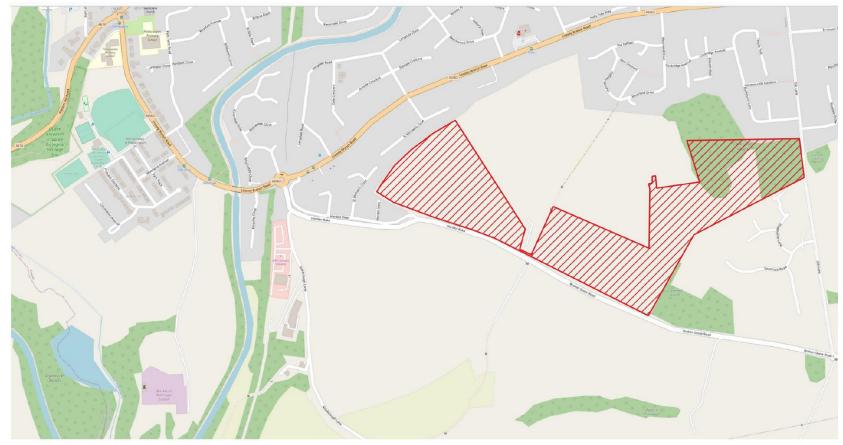
Ofwat's Response

Ofwat has since liaised with Independent Water Networks who have presented United Utilities with updated maps to assess the unserved criterion. On 26 January 2023 Independent Water Networks provided an updated letter from United Utilities confirming that it considered the Site to be unserved. In addition, on 2 February 2023 United Utilities confirmed to Ofwat that its updated letter was based on the site map in the public consultation that was published on 1 November 2022.

2. Site Map – Water







PLAN REFERRED TO IN THE VARIATION OF THE APPOINTMENTS OF INDEPENDENT WATER NETWORKS LIMITED AND UNITED UTILITIES WATER LIMITED, AS SEWERAGE UNDERTAKERS, MADE BY THE WATER SERVICES REGULATION AUTHORITY ON ...

21 February 2023

ADDRESS : GIB LANE (PHASE 7-11), GREENHILLS, BB2 5BP. OS GRID REFERENCE: 366209,425552 SCALE: 1:7000 DRAWN BY: SC DATE: 08/09/2022

0 100 200 m

GIB LANE (PHASES 7-11) INSET SEWERAGE MAP 1

3. Variation Notice

WATER SERVICES REGULATION AUTHORITY

WATER INDUSTRY ACT 1991, SECTIONS 6 TO 9

Variation of the Appointments of Independent Water Networks Limited and United Utilities Water Limited as Water and Sewerage Undertakers

Made on 21 February 2023

Coming into effect on 22 February 2023

- Independent Water Networks Limited ("Independent Water Networks and United Utilities Water Limited ("United Utilities") hold Appointments as water and sewerage undertakers for their respective areas ("the Appointments").¹ The areas to which the Appointments of Independent Water Networks and United Utilities as water and sewerage undertakers relate ("Water Supply Area" and "Sewerage Services Area") are set out in their Instruments of Appointment.
- The site called Gib Lane (Phases 7 11), Blackburn, Lancashire, which is shown edged in red on the plan attached to this variation, ("the Site") is within United Utilities' Water Supply Area and Sewerage Services Area. The Site is being developed by Kingswood Homes (UK) Limited.
- Independent Water Networks has applied under section 7(4)(b) of the Water Industry Act 1991 ("the Act") for a variation of its Appointment as a water and sewerage undertaker to include the Site and for a consequential variation of United Utilities' Appointments to exclude the Site.
- 4. On 27 June 1995, the Secretary of State for the Environment and the Secretary of State for Wales acting jointly and pursuant to sections 6(1) and 7(2) of the Act authorised the Director General of Water Services² to make variations such as those contained in paragraph 5 below. After public consultation, as required by section 8 of the Act, the Water Services Regulation Authority has decided that it should grant Independent Water Networks' application.
- 5. Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Kingswood Homes (UK) Limited, the Water Services Regulation Authority **varies**–

¹United Utilities' original Appointment as a water and sewerage undertaker was made by the Secretary of State for the Environment under sections 11 and 14 of the Water Act 1989, now replaced by sections 6 and 11 of the Water Industry Act 1991. Independent Water Networks' original Appointment was made by the Water Services Regulation Authority under sections 6 and 11 of the Water Industry Act 1991.

² With effect from 1 April 2006 the functions of the Director General of Water Services were transferred to the Water Services Regulation Authority in accordance with section 36 of, and Schedule 3 to, the Water Act 2003.

- (a) the Appointment of Independent Water Networks as a water and sewerage undertaker so that the Site is included in Independent Water Networks' Water Supply Area and Sewerage Services Area; and
- (b) the Appointment of United Utilities as a water and sewerage undertaker so that the Site is excluded from United Utilities' Water Supply Area and Sewerage Services Area.

Signed for and on behalf of the Water Services Regulation Authority

Sally Irgin Director of Enforcement