Variation of Icosa Water Services Limited's appointment to include Land West of Kirkleatham Lane, Redcar, North Yorkshire.

On 22 November 2022, Ofwat began a <u>consultation</u> on a proposal to vary Icosa Water Services Limited's ("Icosa Water") appointment to become the water services provider for a development in Northumbrian Water Limited's ("Northumbrian Water") water supply area called Land West of Kirkleatham Lane, Redcar, North Yorkshire ("the Site"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 21 December 2022. During the consultation period, we received representations from one organisation, 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 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 Icosa Water's application and having taken account of the response we received to our consultation, we decided to grant a variation to Icosa Water's area of appointment to allow it to serve the Site for water. This appointment became effective on 4 May 2023.

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

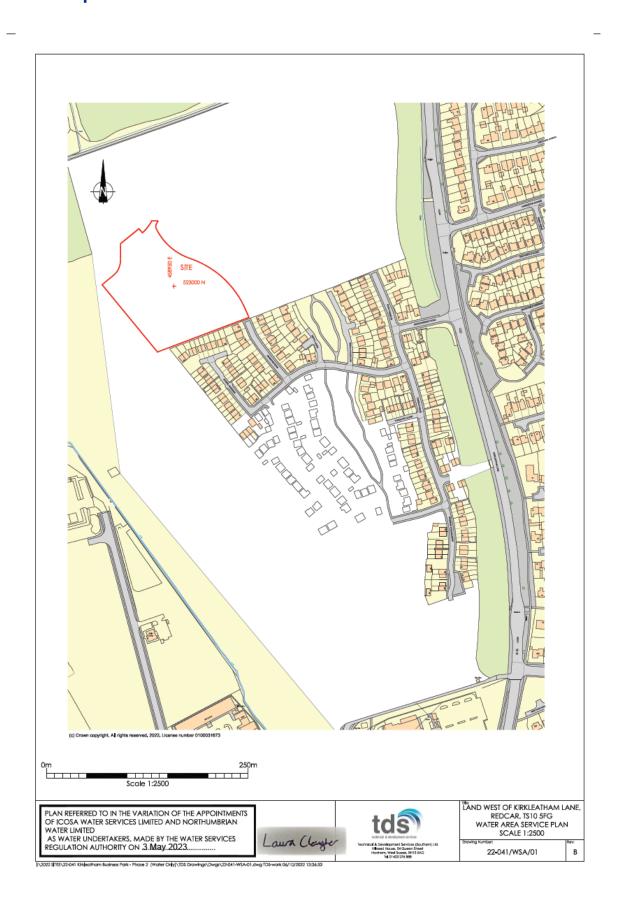
The Variation Notice legally making the variation can be found in Section 3 of this document.

1. Response received to the consultation

We received a response to our consultation from one organisation: Northumbrian Water. Northumbrian Water queried a difference from the map in the consultation, and the map it had agreed with Icosa Water as part of the bulk supply agreement. Both parties have confirmed that the correct boundary was included as part of our consultation and the issue is now resolved as they have corrected the agreement.

We considered this response before making the decision to vary Icosa Water's appointment and we are satisfied that the variation can be granted.

2. Site Map



3. Variation Notice

WATER SERVICES REGULATION AUTHORITY WATER INDUSTRY ACT 1991, SECTIONS 6 TO 9

Variation of the Appointments of Icosa Water Services Limited and Northumbrian Water Limited as Water Undertakers

Made on 3 May 2023

Coming into effect on 4 May 2023

- Icosa Water Services Limited ("Icosa Water") and Northumbrian Water Limited
 ("Northumbrian Water") hold Appointments as water undertakers for their respective
 areas ("the Appointments"). The areas to which the Appointments of Icosa Water and
 Northumbrian Water as water undertakers relate ("Water Supply Area") are set out in their Instruments of Appointment.
- The site called Land West of Kirkleatham Lane, Redcar, North Yorkshire which is shown edged in red on the plan attached to this variation ('the Site') is within Northumbrian Water's Water Supply Area. The Site is being developed by Vistry. Partnerships Ltd.
- 3. Icosa Water has applied under section 7(4)(b) of the Water Industry Act 1991 ("the Act") for a variation of its Appointment as a water undertaker to include the Site and for a consequential variation of Northumbrian Water's Appointment to exclude the Site.
- 4. On 27 June 1995, the Secretary of State for the Environment and the Secretary of State 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 Services' 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 Icosa Water's application.
- 5. Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Vistry Partnerships Ltd, the Water Services Regulation Authority varies-

Northumbrian Water's original Appointment as a water 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. Losas Water's original Appointment was made by the Water Services Regulation Authority under sections 6 and 11 of the Water Industry Act 1991.

"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 Icosa Water as a water undertaker so that the Site is included in Icosa Water's Water Supply Area; and
- (b) the Appointment of Northumbrian Water as a water undertaker so that the Site is excluded from Northumbrian Water's Water Supply Area

Signed for and on behalf of the Water Services Regulation Authority



Laura Clougher Principal, Casework and Enforcement