

## Variation of Icosa Water Services Limited's appointment to include Church Lane, West Parley

On 24 May 2023 Ofwat began a [consultation](#) on a proposal to vary Icosa Water Services Limited's ("Icosa Water") appointment to become the water and sewerage services provider for a development in South West Water Limited ("South West Water") water supply area and Wessex Water Services Limited ("Wessex Water") sewerage services area called Church Lane, West Parley, Bournemouth ("the Site"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 20 June 2023. During the consultation period, we received representations from two organisations: South West Water and the Environment Agency. South West Water's response is summarised in Section 1 of this document. During the consultation period Icosa Water notified us that the map it had provided with its application was incorrect and provided a new map. Further details of this change are provided in Section 1 below.

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 Icosa Water's application and having taken account of the responses 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 and sewerage services. This appointment became effective on 26 June 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

### South West Water

In its consultation response South West Water stated that it supports the development of markets where customers could benefit, or in the least suffer no detriment. South West Water noted that it was concerned about differences in the site map that was provided to it by the applicant at the time of application, and upon which it based its confirmation of the Site's "site unserved" status, and the site map included in Ofwat's consultation document . It noted that despite the difference the number of properties on the Site was the same. South West Water stated it was in contact with Icosa Water regarding the matter. South West Water noted that whilst it agreed in principle to the proposed variation, it was concerned the site map needed amendment.

### Our Response

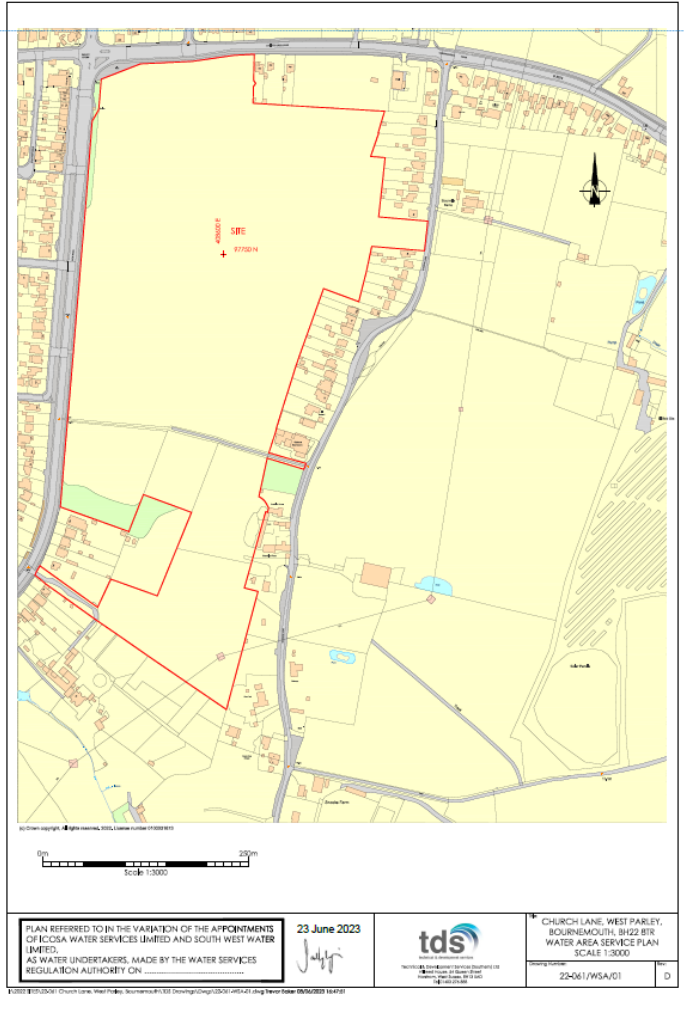
Ofwat has been in contact with Icosa Water regarding the discrepancy in the site maps that it provided to South West Water and the maps it provided to Ofwat. On 9 June 2023 Icosa Water confirmed that there was an error in the maps provided to Ofwat and used in our consultation. Icosa Water provided Ofwat with updated maps, that match the maps that it provided to South West Water, these remove a section of the site. The removal of the parcel of land to the right of the Site has not changed the number of properties on Site nor has it impacted our assessment of the application. The correct maps are now included and signed below.

### The Environment Agency

Ofwat has engaged with the Environment Agency as part of the application process. For this application, the Environment Agency have flagged a potential risk of supply deficit. Where a risk of deficit exists, applicants are expected to assure the Environment Agency, via statutory processes, that there is not a risk of deficit or, that any deficit will be resolved. The risk has been flagged to Icosa Water to action. The Environment Agency has confirmed to us that it is comfortable for the variation to proceed ahead of those discussions being concluded.

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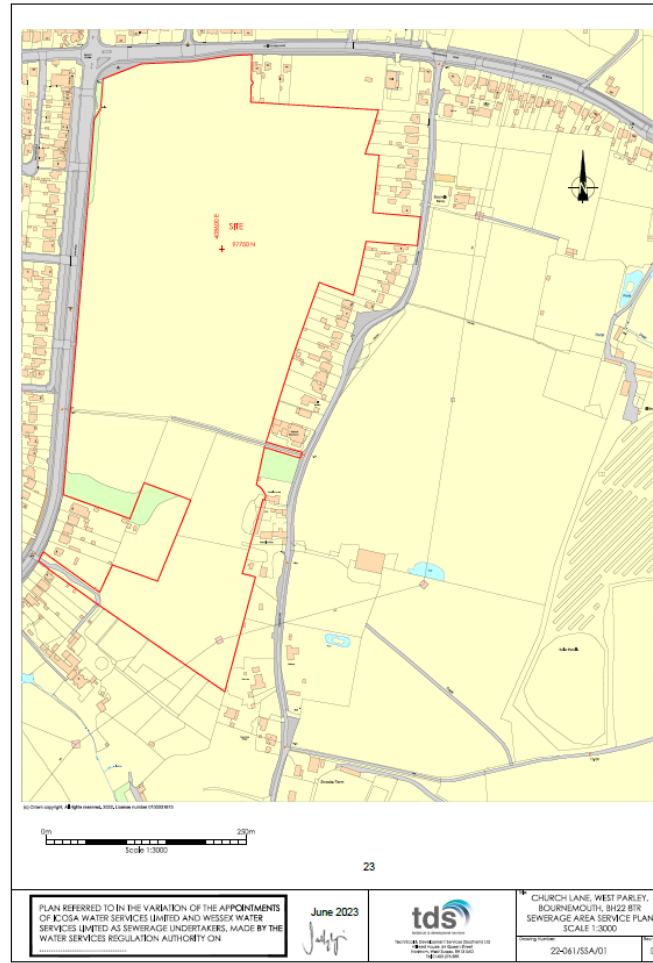
## 2. Site Map – Water



Commented [AC1]: Add signed map/s following decision

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## Site Map - Sewerage



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### 3. Variation Notice

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

**Variation of the Appointments of Icosa Water Services Limited, South West Water Limited,  
and Wessex Water Services Limited as Water and Sewerage Undertakers**

Made on 23 June 2023

Coming into effect on 26 June 2023

1. Icosa Water Services Limited ("Icosa Water"), South West Water Limited ("South West Water"), and Wessex Water Services Limited ("Wessex Water") hold Appointments as water and sewerage undertakers for their respective areas ("the Appointments").<sup>1</sup> The areas to which the Appointments of Icosa Water, South West Water as water undertaker and Wessex Water as a sewerage undertaker relate ("Water Supply Area" and "Sewerage Services Area") are set out in their Instruments of Appointment.
2. The site called Church Lane, West Parley, Bournemouth, which is shown edged in red on the plan attached to this variation, ("the Site") is within South West Water's Water Supply Area and Wessex Water's Sewerage Services Area. The Site is being developed by Bellway Homes Limited and Parley Green Limited.
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 and sewerage undertaker to include the Site and for a consequential variation of South West Water and Wessex Water's Appointment 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 Services<sup>2</sup> 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.

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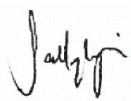
<sup>1</sup> South West Water's original Appointment as a water undertaker and Wessex Water's original Appointment as a sewerage undertaker were made by the Secretary of State for the Environment under sections 11 and 14 of the Water Act 1989, now replaced by sections 6 and 11 of the Water Industry Act 1991. Icosa Water's original Appointment was made by the Water Services Regulation Authority under sections 6 and 11 of the Water Industry Act 1991.

Variation of Icosa Water Services Limited's appointment to include Church Lane, West Parley

5. Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Bellway Homes Limited and Parley Green Limited the Water Services Regulation Authority **varies**–

- (a) the Appointment of Icosa Water as a water and sewerage undertaker so that the Site is included in Icosa Water's Water Supply Area and Sewerage Services Area;
- (b) the Appointment of South West Water as a water undertaker so that the Site is excluded from South West Water's Water Supply Area;
- (c) the Appointment of Wessex Water as a sewerage undertaker so that the Site is excluded from Wessex Water's Sewerage Supply Area.

**Signed for and on behalf of the Water Services Regulation Authority**



**Sally Irgin**  
**Director of Enforcement**