Variation of Independent Water Networks Limited's appointment to include Herkomer Close, Lockleaze, Bristol

On 11 May 2023, 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 South West Water Limited's ("South West Water") water supply area called Herkomer Close, Lockleaze, Bristol, Avon ("the Site"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 9 June 2023. We received no responses to our consultation.

On 10 July 2023, Independent Water Networks requested to change its application to provide water services only to the Site and to remove those aspects of its application related to providing sewerage services. At the current time the sewerage services will remain with the incumbent. There are no other material changes to the variation. We have completed a further financial assessment of the application reflecting this change and it does not change our overall conclusions.

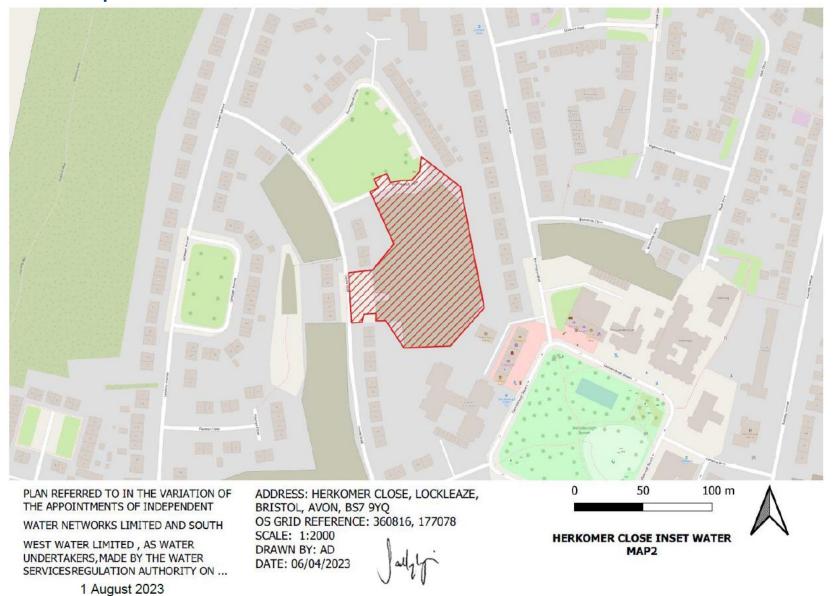
We will only make an appointment or variation if our assessment concludes that the application meets the criterion it has been made under; that customers or future customers on the site will be no worse off than if the site had been served by the existing appointee; and if the applicant will be able to finance the proper carrying out of its functions as a water and/or sewerage company. As set out in our consultation we are satisfied this is the case.

Having assessed Independent Water Networks' application and having received no responses 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 services. This appointment became effective on 2 August 2023.

The Site Map for the variation can be found in Section 1 of this document.

The Variation Notice legally making the variation can be found in Section 2 of this document.

1. Site Map



2. Variation Notice

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

Variation of the Appointments of Independent Water Networks Limited and South West

Water Limited as Water Undertakers

Made on 1 August 2023

Coming into effect on 2 August 2023

- Independent Water Networks Limited ("Independent Water Networks") and South West Water Limited ("South West Water") hold Appointments as water undertakers for their respective areas ("the Appointments").¹ The areas to which the Appointments of Independent Water Networks and South West Water as water undertakers relate ("Water Supply Area") are set out in their Instruments of Appointment.
- The site called <u>Herkomer Close</u>, <u>Lockleaze</u> in Bristol, which is shown edged in red on the plan attached to this variation, ("the Site") is within <u>South West</u> Water's Water Supply Area. The Site is being developed by <u>BoKlok Housing Limited</u>.
- 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 undertaker to include
 the Site and for a consequential variation of <u>South West</u> 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 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.
- Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of BoKlok Housing Limited, the Water Services Regulation Authority varies –
 - (a) the Appointment of Independent Water Networks as a water undertaker so that the Site is included in Independent Water Networks' Water Supply Area; and

(b) the Appointment of <u>South West</u> Water as a water undertaker so that the Site is excluded from South West Water's Water Supply Area.

Signed for and on behalf of the Water Services Regulation Authority

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Sally Irgin Director of Enforcement

¹ South West 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. 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.