

Variation of Icosa Water Services Limited's appointment to include Middle Deepdale, Scarborough

On 13 April 2023, Ofwat began a [consultation](#) on a proposal to vary Icosa Water Services Limited's ("**Icosa Water**") appointment to become the water services provider for a development in Yorkshire Water Services Limited's ("**Yorkshire Water**") water supply area called Middle Deepdale, Scarborough in Yorkshire ("**the Site**"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 16 May 2023. During the consultation period, we received no representations.

Ofwat has engaged with the Environment Agency as part of the application process. For this application, the Environment Agency has flagged that the water supply and demand forecasts in Icosa Water's application do not reflect the assumptions set out in its draft Water Resources Management Plan (the statutory water resources management plan water companies are required to prepare to set out their planning approach for at least the next 25 years), and that this could pose a potential risk of a supply deficit in the future. 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.

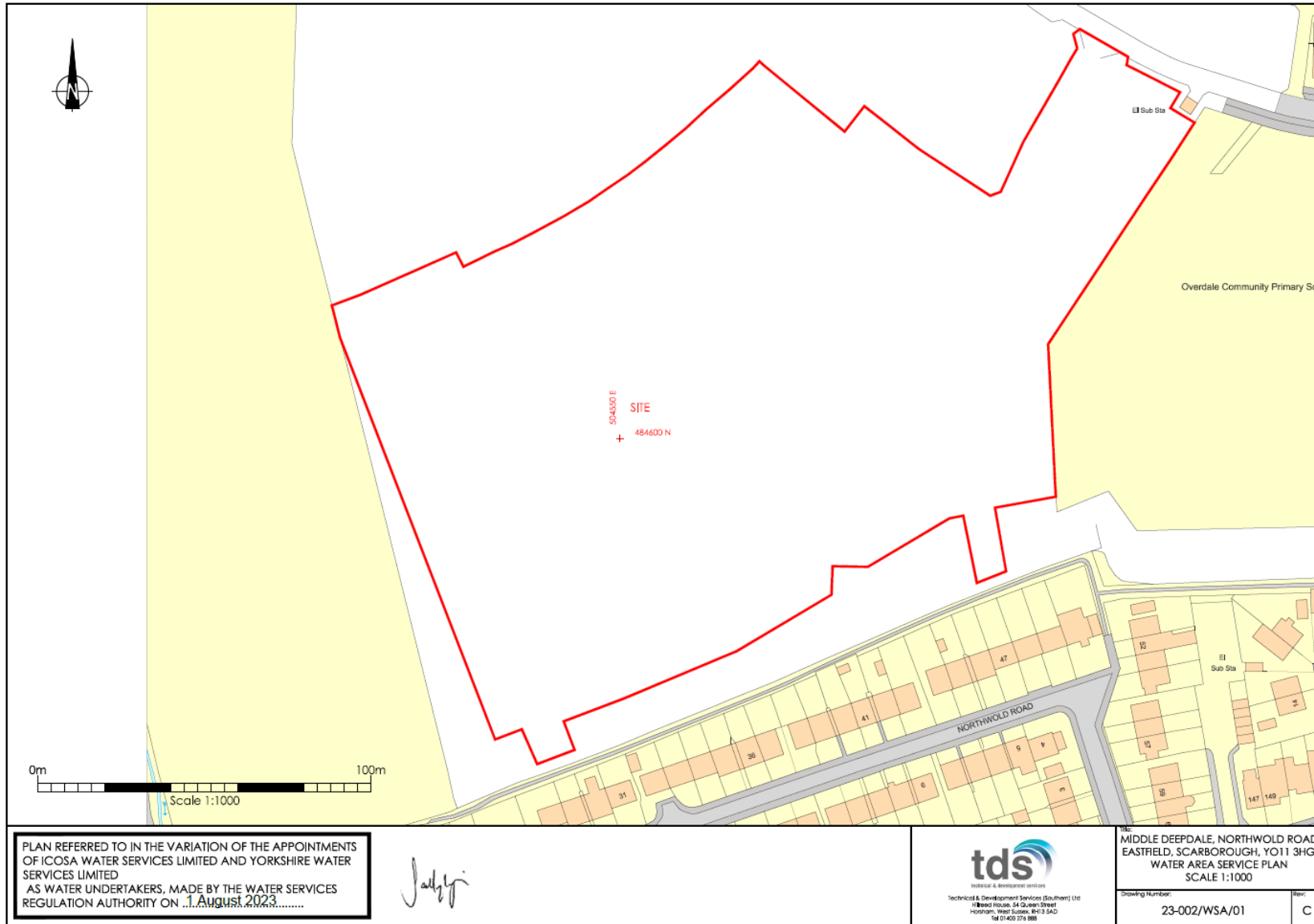
We will only make an appointment or variation if our assessment concludes that the application meets the criterion it has been made under; that customers or future customers on the site will be no worse off than if the site had been served by the existing appointee; and if the applicant will be able 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 Icosa Water's application and having received no responses 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 services. This appointment became effective on 2 August 2023.

The Site Map for the variation can be found in Section 1 of this document. There was a non-material change to the Site's boundary after the consultation closed. A very small area on the west edge of the Site was removed. We did not consider it necessary to reconsult as this change had no impact on any aspect of our assessment of the Site.

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

1. Site Map



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2. Variation Notice

WATER SERVICES REGULATION AUTHORITY

WATER INDUSTRY ACT 1991, SECTIONS 6 TO 9

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

Made on 1 August 2023

Coming into effect on 2 August 2023

1. Icosa Water Services Limited ("Icosa Water") and Yorkshire Water Services Limited ("Yorkshire Water") hold Appointments as water undertakers for their respective areas ("the Appointments").¹ The areas to which the Appointments of Icosa Water and Yorkshire Water as water undertakers relate ("Water Supply Area") are set out in their Instruments of Appointment.
2. The site called Middle Deepdale at Northwold Road, Eastfield, Scarborough in Yorkshire, which is shown edged in red on the plan attached to this variation, ("the Site") is within Yorkshire Water's Water Supply Area. The Site is being developed by Lovell Partnerships 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 undertaker to include the Site and for a consequential variation of Yorkshire 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 Icosa Water's application.
5. Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Lovell Partnerships Limited, the Water Services Regulation Authority varies—

¹ Yorkshire 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. Icosa Water's 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 Icosa Water as a water undertaker so that the Site is included in Icosa Water's Water Supply Area; and

(b) the Appointment of Yorkshire Water as a water undertaker so that the Site is excluded from Yorkshire Water's Water Supply Area.

Signed for and on behalf of the Water Services Regulation Authority



Sally Irgin
Director of Enforcement