Variation of Independent Water Networks Limited's appointment to include Land East of Everton Road, New Forest

On 25 August 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 and Southern Water Services Limited's ("Southern Water") sewerage services area called Land East of Everton Road, New Forest in Hampshire ("the Site"). Details of the application and our assessment of it were set out in the consultation document.

On 11 September 2023, during our public consultation, Independent Water Networks withdrew its application to become the sewerage company on this Site. There were no other changes to this application. We amended our consultation notice, notified our stakeholders and continued the consultation on a proposal to vary Independent Water Networks' appointment to become the supplier on this Site of water services only. Sewerage services on the Site will remain with Southern Water.

The consultation ended on 27 September 2023. During the consultation period, we received a response 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 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 taken account of the response 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 services. This appointment became effective on 9 October 2023.

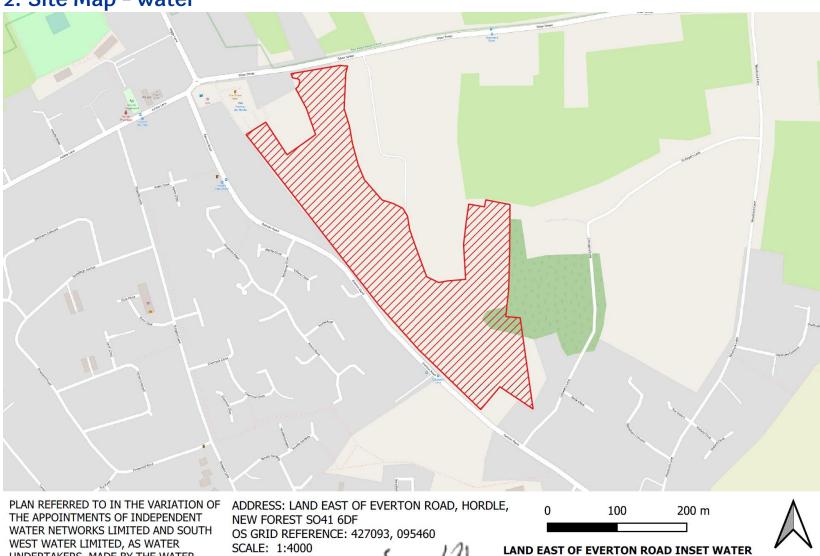
The Site map for the variation can be found in Section 2 of this document.

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

1. Responses received to the consultation

We received a response to our consultation from South West Water. It stated that it supports the development of markets where customers could benefit, or in the least suffer no detriment, and it confirmed that it has no objection to the proposal to grant this variation.

2. Site Map - water



UNDERTAKERS, MADE BY THE WATER SERVICES REGULATION AUTHORITY ON ... 6 October 2023

DRAWN BY: AD DATE: 14/07/2023

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 <u>South West</u>

Water Limited as Water Undertakers

Made on 6 October 2023

Coming into effect on 9 October 2023

- 1. Independent Water Networks Limited ("Independent Water Networks") and <u>South West</u> Water Limited ("South West Water") hold Appointments as water undertakers for their respective areas ("the Appointments"). 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 Land East of Everton Road, Hordle, New Forest in Hampshire which is shown edged in red on the plan attached to this variation ("the Site") is within <u>South</u> <u>West</u> Water's Water Supply Area. The Site is being developed by <u>Bargate</u> Homes 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 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.
- 5. Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of <u>Bargate</u> Homes 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

E- 12hc

Emma Kelso Senior Director

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.