Variation of Independent Water Networks Limited's appointment to include Heanton Hill Lane, Chivenor Cross, Devon

On 31 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 services provider for a development in South West Water Limited's ("**South West Water**") water supply area called Heanton Hill Lane, Chivenor Cross, Devon ("**the Site**"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 28 September 2023. 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 response we have received to the consultation have not changed that view.

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 1 November 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

South West Water

South West Water response dated 8 September 2023 stated that it supports the developments of markets where customers could benefit, or in the least suffer no detriment. It raised that at the time of consultation the Site was considered served for water services due to an extant water connection. It noted that Independent Water Networks are aware of this and is working to resolve the issue and obtain a further letter to confirm once the Site is deemed unserved. It raised no further issues.

Our response

Ofwat have received an updated letter on 20 September 2023 from South West Water confirming that, in its view, the Site is now unserved for water services. This is due to the matter of the extant pipe being resolved. Having received the updated letter Ofwat are satisfied that the Site meets requirements of the unserved criteria, and this variation is being granted on this basis.

2. Site Map - Water

SERVICES REGULATION AUTHORITY ON ...



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PROJECT: N0024114

DATE: 13/07/2023

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3. Variation Notice

WATER SERVICES REGULATION AUTHORITY

WATER INDUSTRY ACT 1991, SECTIONS 6 TO 9

Variation of the Appointments of Independent Water Networks and <u>South-West</u> Water Limited as Water Undertakers

Made on 31 October 2023

Coming into effect on 1 November 2023

- 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").¹ The areas to which the Appointments of Independent Water Networks Limited and South West Water as water undertakers relate ("Water Supply Area") are set out in their Instruments of Appointment.
- The site called <u>Heanton Hill Lane</u>, <u>Chivenor</u> Cross which is shown edged in red on the plan attached to this variation ("the Site") is within <u>South East</u> Water's Water Supply Area. The Site is being developed by Chichester Homes Developments 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.
- Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Chichester Homes Developments 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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Michael Deakin Principal, Casework & Enforcement

³ 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.

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