Variation of Independent Water Networks Limited's appointment to include Habberley Road, Catchems End

On 19 September 2023, Ofwat began a <u>consultation</u> on a proposal vary Independent Water Networks Limited's ("Independent Water Networks") appointment to become the water services provider for a development in Severn Trent Water Limited's ("Severn Trent Water") water supply area called Habberley Road, Catchems End in Worcestershire ("the Site"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 19 October 2023. During the consultation period, we received representation 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. The response we have received to the consultation has 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 23 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. Response received to the consultation

We received one response to our consultation from Wyre Forest District Council.

Wyre Forest District Council stated that it did not raise any objections to this variation being granted but noted the following comments it had received from Severn Trent Water in response to the original application for the development site. We understand this to be the planning application for the site, submitted to the local planning authority.

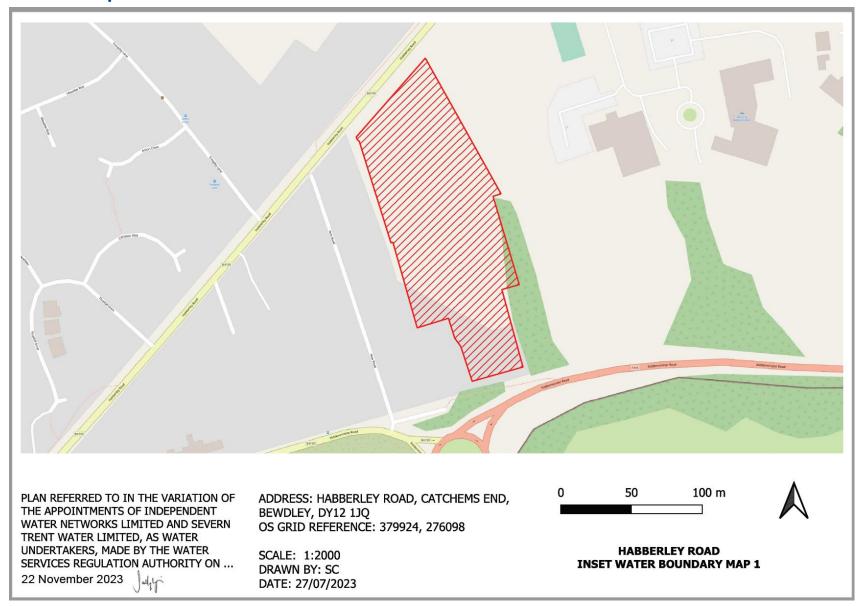
Severn Trent Water had confirmed to Wyre Forest District Council that it had no objections to the proposals, subject to the inclusion of conditions relating to ensuring that the development is provided with satisfactory drainage and to prevent or mitigate risks of flood and pollution.

Our response

We considered this response before making the decision to vary Independent Water Networks' appointment.

Wyre Forest Districts Council's comments do not directly affect the NAV application for this Site, but rather are relevant to the planning consent for the Site granted by the local planning authority. We understand this consent is subject to the developer satisfying particular conditions, including in relation to drainage. The NAV application being considered by Ofwat concerns which water company will serve the site for water services if and when the Site is developed in line with its appropriate planning consent. The NAV application being considered here does not relate to the provision of sewerage services. We understand that currently Severn Trent Water as the incumbent in the area will provide sewerage services to the Site.

2. Site Map – Water



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 Severn Trent
Water Limited as Water Undertakers

Made on 22 November 2023

Coming into effect on 23 November 2023

- Independent Water Networks Limited ("Independent Water Networks"), and Severn Trent Water Limited ("Severn Trent Water") hold Appointments as water undertakers for their respective areas ("the Appointments"). The areas to which the Appointments of Independent Water Networks and Severn Trent Water as water undertakers relate ("Water Supply Area") are set out in their Instruments of Appointment.
- 2. The site called Habberley Road, Catchems End in Worcestershire, which is shown edged in red on the plan attached to this variation, ("the Site") is within Severn Trent Water's Water Supply Area. The Site is being developed by Owl 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 Severn Trent 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 Services¹ 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 Networks¹ application.
- Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the with the agreement of Owl 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

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

Signed for and on behalf of the Water Services Regulation Authority

July

Sally Irgin
Director of Enforcement

¹ Severn Trent 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.

¹ 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.