Variation of Icosa Water Services Limited's appointment to include Radford Road, Nottingham

On 12 July 2023, Ofwat began a <u>consultation</u> on a proposal to vary Icosa Water Services Limited's ("Icosa Water") appointment to become the sewerage services provider for a development in Severn Trent Water Limited's ("Severn Trent Water") sewerage services area called Radford Road, Nottingham ("the Site"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 10 August 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 previously flagged that the water supply and demand forecasts in Icosa Water's application did 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. The Environment Agency has since confirmed that the Site deficit issues have now been resolved and it is happy for this variation to be granted.

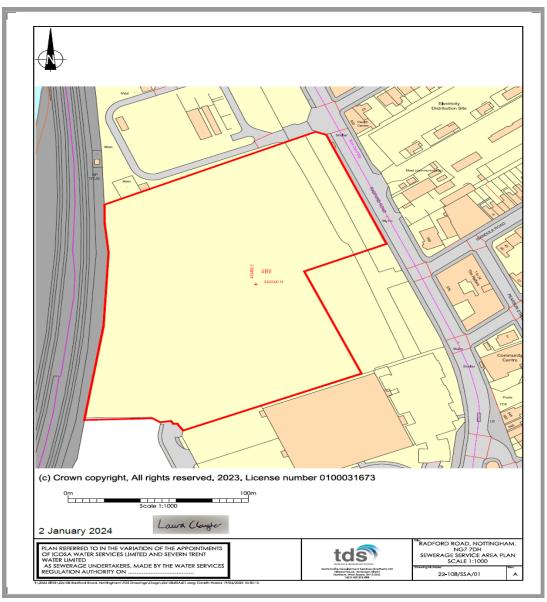
We will only make an appointment or variation if our assessment concludes that the application meets the criterion it has been made under; that customers or future customers on the Site will be no worse off than if the Site had been served by the existing appointee; and if the applicant will be able 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 sewerage services. This appointment became effective on 3 January 2024.

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 - Sewerage



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 Severn Trent Water
Limited as Sewerage Undertakers
Made on 2 January 2024
Coming into effect on 3 January 2024
 Icosa Water Services Limited ("Icosa Water") and Severn Trent Water Limited ("Severn Trent Water") hold Appointments as sewerage undertakers for their respective areas ("the Appointments"). The areas to which the Appointments of Icosa Water and Severn Trent Water as sewerage undertakers relate ("Sewerage Services Area") are set out in their Instruments of Appointment.
The site called Radford Road, Nottingham which is shown edged in red on the plan attached to this variation ("the Site") is within Severn Trent Water's Sewerage Services Area. The Site is being developed by Strata Homes Yorkshire Limited.
 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 sewerage 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 Services ¹ 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.
 Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Strata Homes Yorkshire Limited, the Water Services Regulation Authority varies-
(a) the Appointment of Icosa Water as a sewerage undertaker so that the Site is included in Icosa Water's Sewerage Services Area; and
¹ Severn Trent Water's original Appointment as a sewerage 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. 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.
1
(b) the Appointment of Severn Trent Water as a sewerage undertaker so that the Site is excluded from Severn Trent Water's Sewerage Services Area.
Signed for and on behalf of the Water Services Regulation Authority
Lowra Clayter
Laura Clougher
Principal, Casework and Enforcement