## Variation of Icosa Water Services Limited's appointment to include Great Eccleston, Preston (Water)

On 10 May 2023, Ofwat began a <u>consultation</u> on a proposal to vary Icosa Water Services Limited's ("Icosa Water") appointment to become the water services provider for a development in United Utilities Water Limited's ("United Utilities") water supply area called Great Eccleston, Preston (Water) in Lancashire ("the Site"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 9 June 2023. During the consultation period, we received no representations.

After the consultation, Icosa Water confirmed to us that it had made errors in its application to us and needed to amend the number of properties to be on the Site and its boundary map. The number of household properties decreased from 348 to 345 household properties. The Site boundary was changed reducing the area of the Site. We updated our financial assessment of the Site and our conclusion was unchanged.

On 1 March 2024, we notified statutory consultees of the changes and provided ten working days for any further comments. We received one response from the Consumer Council for Water stating that the changes had no material effect on its view of the application. It confirmed it had no further comments and does not have any objection to the proposal to grant this variation.

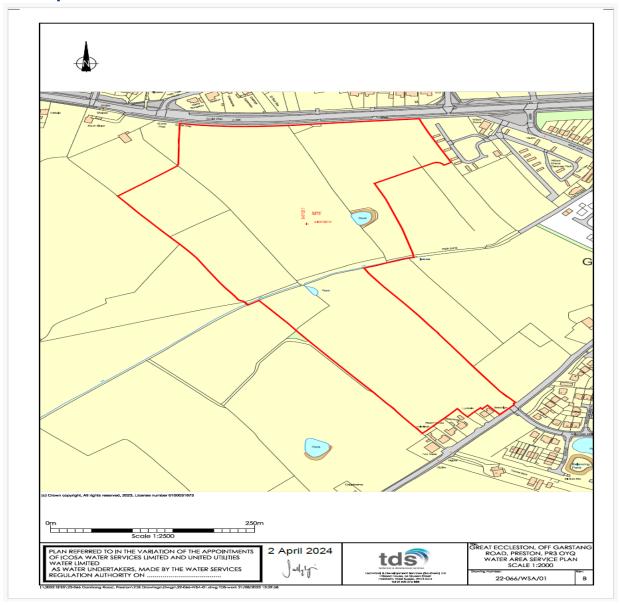
We will only make an appointment or variation if our assessment concludes that the application meets the criterion it has been made under; that customers or future customers on the site will be no worse off than if the site had been served by the existing appointee; and if the applicant will be able 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 taken account of the response we received, 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 3 April 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. Updated Site map – Water



## 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 United Utilities Water Limited as Water Undertakers

Made on 2 April 2024

Coming into effect on 3 April 2024

- Icosa Water Services Limited ("Icosa Water"), and United Utilities Water Limited ("United Utilities") hold Appointments as water undertakers for their respective areas ("the Appointments").<sup>1</sup> The areas to which the Appointments of Icosa Water and United Utilities as water undertakers relate ("Water Supply Area") are set out in their Instruments of Appointment.
- The site called Great Eccleston, Preston (Water) in Lancashire, which is shown edged in red on the plan attached to this variation ("the Site") is within United Utilities' Water Supply Area. The Site is being developed by Bellway Homes 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 United Utilities' 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.
- Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Bellway Homes Limited, the Water Services Regulation Authority varies-
  - (a) the Appointment of Icosa Water as a water undertaker so that the Site is included in Icosa Water's Water Supply Area; and

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

Signed for and on behalf of the Water Services Regulation Authority

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Director of Enforcement

<sup>&</sup>lt;sup>1</sup> United Utilities' 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.

<sup>&</sup>lt;sup>1</sup> 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.