

## Variation of Advanced Water Infrastructure Networks Limited's appointment to include Heybridge North Gardens (Phase 4), Heybridge

On 19 December 2023, Ofwat began a [consultation](#) on a proposal to vary Advanced Water Infrastructure Networks Limited's ("**Advanced Water**") appointment to allow it to become the water and sewerage services provider for a development in Northumbrian Water Limited's ("**Northumbrian Water**") water supply area and Anglian Water Services Limited's ("**Anglian Water**") sewerage services area called Heybridge North Gardens (Phase 4), Heybridge in Essex ("**the Site**"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 22 January 2024. 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 sewerage 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 Advanced Water's application and having taken account of the response we received to our consultation, we decided to grant a variation to Advanced Water's area of appointment to allow it to serve the Site for water and sewerage services. This appointment became effective on 17 April 2024.

The Site maps for the variation can be found in Section 3 of this document.

The Variation Notice legally making the variation can be found in Section 4 of this document.

## 1. Response received to the consultation

We received one response to our consultation from the Drinking Water Inspectorate (“DWI”). We considered this response before making the decision to vary Advanced Water's appointment.

The respondent in an email dated 21 December 2023 agreed with our proposal and commented to state Advanced Water are known to the DWI and it is content that Advanced Water are competent and are conversant with their obligations under the Water Supply (Water Quality) Regulations 2016 (as amended)[ENGLAND]/ 2018 [WALES]. The DWI stated it is yet to receive a regulation 28 risk assessment for this supply but would anticipate this in due course. In an email dated 24 January 2024, the DWI confirmed it had no objection to Ofwat proceeding to grant Advanced Water an appointment.

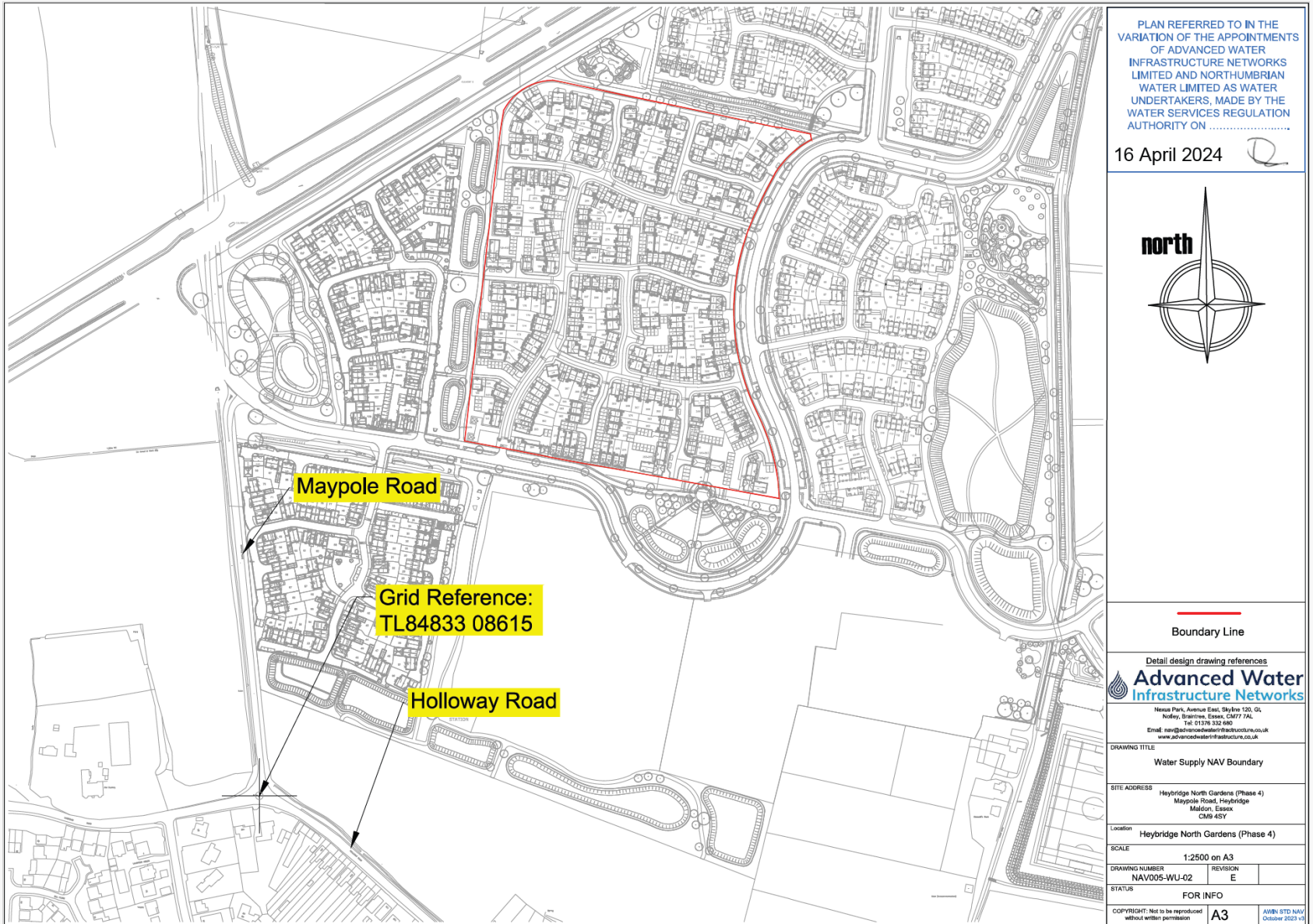
## 2. Next steps

Having been granted its appointment, Advanced Water intends to apply to the Department for Environment, Food & Rural Affairs (“**Defra**”), to exit the business retail market. Advanced Water can apply to Defra to exit the market once the appointment is granted and Defra will process its application in accordance with The Water and Sewerage Undertakers (Exit from Non-household Retail Market) Regulations 2016.

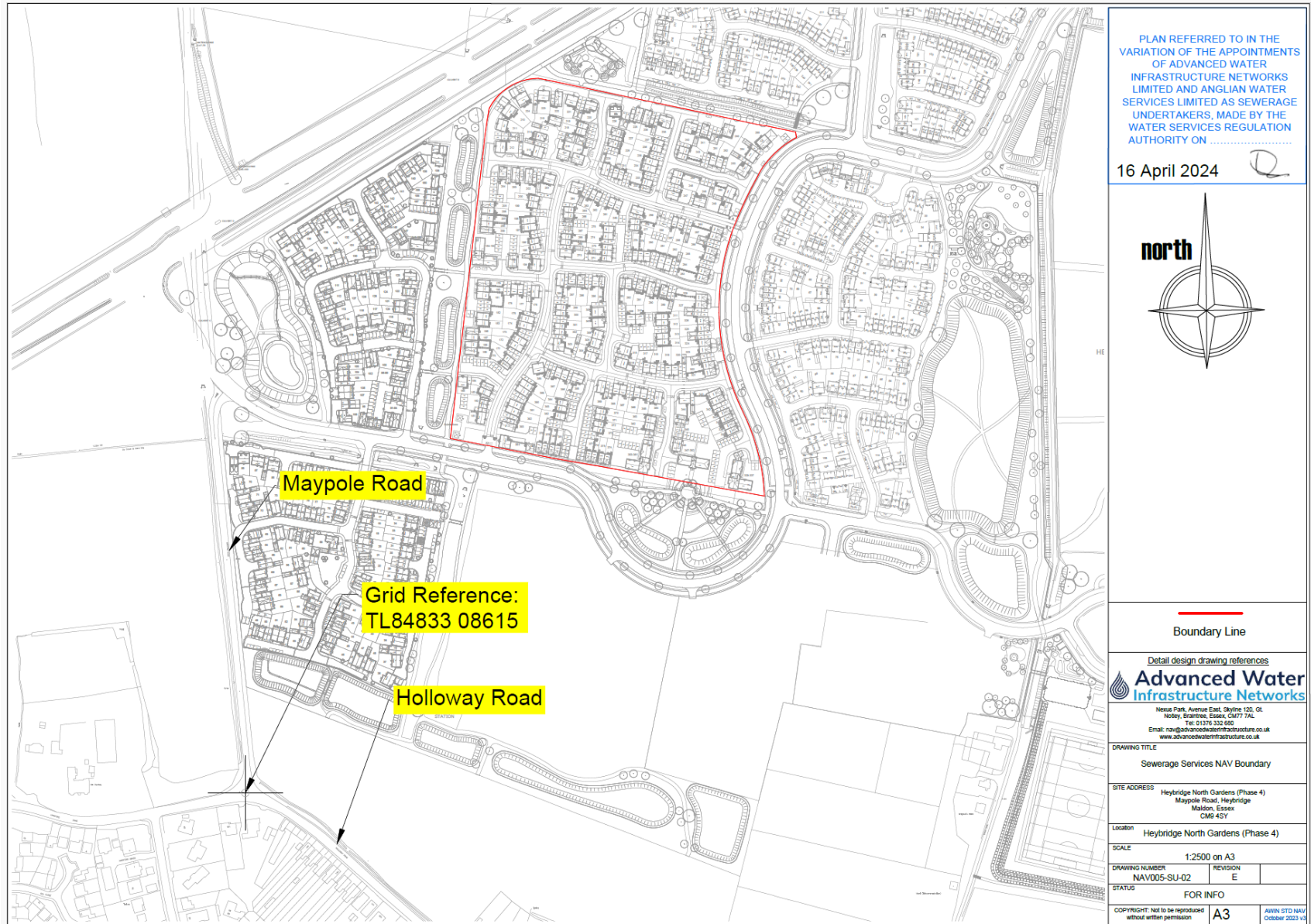
Prior to exiting the market Advanced Water has an interim arrangement with Castle Water Limited (“**Castle Water**”), whereby Castle Water will serve its business customers until it exits the market. Once exited, Advanced Water will act as a wholesaler to household and business customers.

Business customers on any of Advanced Water's future sites will be appointed a retailer in accordance with the Market Operator Services Limited's gap site process and once appointed a retailer, all business customers will be able to move to retailers of their choice.

### 3. Site map – Water



## Site map – Sewerage



## 4. Variation Notice

**WATER SERVICES REGULATION AUTHORITY**

**WATER INDUSTRY ACT 1991, SECTIONS 6 TO 9**

**Variation of the Appointments of Advanced Water Infrastructure Networks Limited, Northumbrian Water Limited and Anglian Water Services Limited as Water and Sewerage Undertakers**

Made on 16 April 2024

Coming into effect on 17 April 2024

1. Advanced Water Infrastructure Networks Limited ("Advanced Water"), trading as Leaf Water, Northumbrian Water Limited ("Northumbrian Water") and Anglian Water Services Limited ("Anglian Water") hold Appointments as water and sewerage undertakers for their respective areas ("the Appointments").<sup>1</sup> The areas to which the Appointments of Advanced Water, Northumbrian Water and Anglian Water as water and sewerage undertakers relate ("Water Supply Area" and "Sewerage Services Area") are set out in their Instruments of Appointment.
2. The site called Heybridge North Gardens (Phase 4), Heybridge in Essex which is shown edged in red on the plan attached to this variation ("the Site") is within Northumbrian Water's Water Supply Area and Anglian Water's Sewerage Services Area. The Site is being developed by Countryside Properties (UK) Limited.
3. Advanced 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 and sewerage undertaker to include the Site and for a consequential variation of Northumbrian Water's and Anglian Water's Appointments 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<sup>2</sup> 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 Advanced Water's application.

<sup>1</sup> Northumbrian Water's and Anglian Water's original Appointments as water and sewerage undertakers were 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. Advanced Water's original Appointment was made by the Water Services Regulation Authority under sections 6 and 11 of the Water Industry Act 1991.

<sup>2</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.

5. Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of Countryside Properties (UK) Limited, the Water Services Regulation Authority **varies**—
  - (a) the Appointment of Advanced Water as a water and sewerage undertaker so that the Site is included in Advanced Water's Water Supply Area and Sewerage Services Area;
  - (b) the Appointment of Northumbrian Water as a water undertaker so that the Site is excluded from Northumbrian Water's Water Supply Area; and
  - (c) the Appointment of Anglian Water as a sewerage undertaker so that the Site is excluded from Anglian Water's Sewerage Services Area.

**Signed for and on behalf of the Water Services Regulation Authority**



**Lynn Parker**  
Senior Director, Casework, Enforcement and Customers