

Variation of Leep Networks (Water) Ltd's appointment to include Semington Road, Melksham, Wiltshire

On 13 April 2023, Ofwat began a [consultation](#) on a proposal to vary Leep Networks (Water) Ltd's ("**Leep Water**") appointment to become the water and sewerage services provider for a development in Wessex Water Services Limited's ("**Wessex Water**") water supply and sewerage services area called Semington Road, Melksham in Wiltshire ("**the Site**"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 16 May 2023; we received no responses to the consultation.

Ofwat has engaged with the Environment Agency as part of the application process. For this application, the Environment Agency has flagged that the water supply and demand forecasts in Leep Water's application do 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. Where a risk of deficit exists, applicants are expected to assure the Environment Agency, via statutory processes, that there is not a risk of deficit or, that any deficit will be resolved. The risk has been flagged to Leep Water to action. The Environment Agency has confirmed to us that it is comfortable for the variation to proceed ahead of those discussions being concluded.

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 Leep Water's application and having received no responses to our consultation, we decided to grant a variation to Leep Water's area of appointment to allow it to serve the Site for water and sewerage services. This appointment became effective on 7 August 2023.

The Site maps 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.

Sewerage



2. Variation Notice

**WATER SERVICES REGULATION AUTHORITY
WATER INDUSTRY ACT 1991, SECTIONS 6 TO 9**

Variation of the Appointments of Leep Networks (Water) Limited and Wessex Water Services Limited as Water and Sewerage Undertakers

Made on 4 August 2023

Coming into effect on 7 August 2023

1. Leep Networks (Water) Limited ("Leep Water") and Wessex Water Services Limited ("Wessex Water") hold Appointments as water and sewerage undertakers for their respective areas ("the Appointments").¹ The areas to which the Appointments of Leep Water and Wessex 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 Semington Road in Melksham, Wiltshire, which is shown edged in red on the plan attached to this variation, ("the Site") is within Wessex Water's Water Supply Area and Sewerage Services Area. The Site is being developed by BDW Trading Limited.
3. Leep 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 Wessex 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 Leep Water's application.
5. Therefore, as provided by sections 7(2) and 7(4)(b) of the Act, and with the agreement of BDW Trading Limited, the Water Services Regulation Authority **varies**–

¹ Wessex Water's original Appointment as a water and 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. Leep Water's 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.

- (a) the Appointment of Leep Water as a water and sewerage undertaker so that the Site is included in Leep Water's Water Supply Area and Sewerage Services Area; and
- (b) the Appointment of Wessex Water as a water and sewerage undertaker so that the Site is excluded from Wessex Water's Water Supply Area and Sewerage Services Area.

Signed for and on behalf of the Water Services Regulation Authority



**Michael Deakin
Principal, Casework, Enforcement and Customers**