Variation of Leep Networks (Water) Ltd's appointment to include Lotmead Villages, Swindon

On 8 November 2022, Ofwat began a <u>consultation</u> on a proposal to vary Leep Networks (Water) Limited's ("Leep Water") appointment to become the water and sewerage services provider for a development in Thames Water Utilities Limited's ("Thames Water") water supply and sewerage services area called Lotmead Villages, Swindon ("the Site"). Details of the application and our assessment of it were set out in the consultation document.

The consultation ended on 9 December 2022. During the consultation period, we received no responses. On 9 August 2023, Leep Water notified us that the Site's developer has added six non-household properties to the Site with no other changes to the application. We notified our statutory stakeholders of the change and provided time for any concerns/comments.

In response to the above, the Environment Agency asked for confirmation of the water usage of these non-household properties and for reassurance that their usage will not create a supply demand deficit on the Site. Leep Water provided this information to the Environment Agency, and it has confirmed that its queries have been resolved.

Further to the change above, on 1 September 2023, Leep Water notified us of a change to the Site's boundary. The Site's boundary was reduced to remove existing buildings on the Site. We assessed this change, notified our statutory stakeholders of the change and provided time for any concerns/comments. No responses were received, and the updated boundary can be seen in the final maps for the Site below. These changes did not alter the conclusions of our previous assessment of the application.

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.

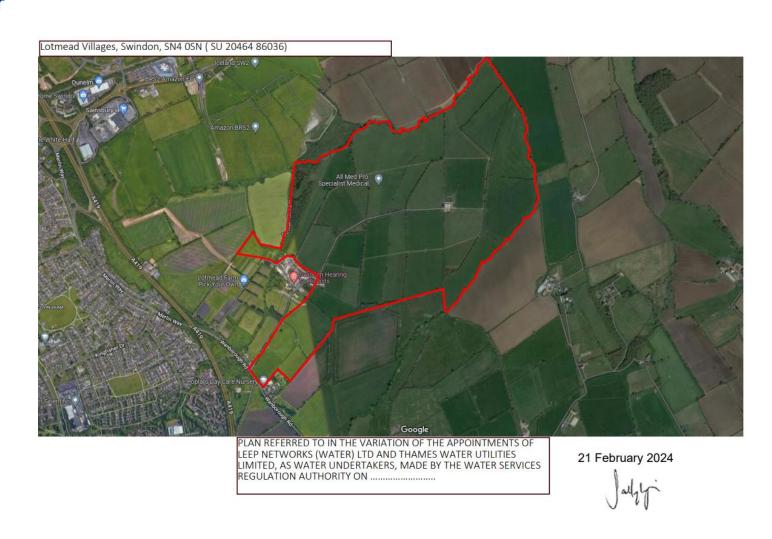
Having assessed Leep Water's application and having assessed the above, we decided to grant a variation to Leep Water's area of appointment to allow it to serve the Site for water and sewerage services. This appointment became effective on 2 February 2024.

The Site Maps for the variation can be found in Section 1 of this document.

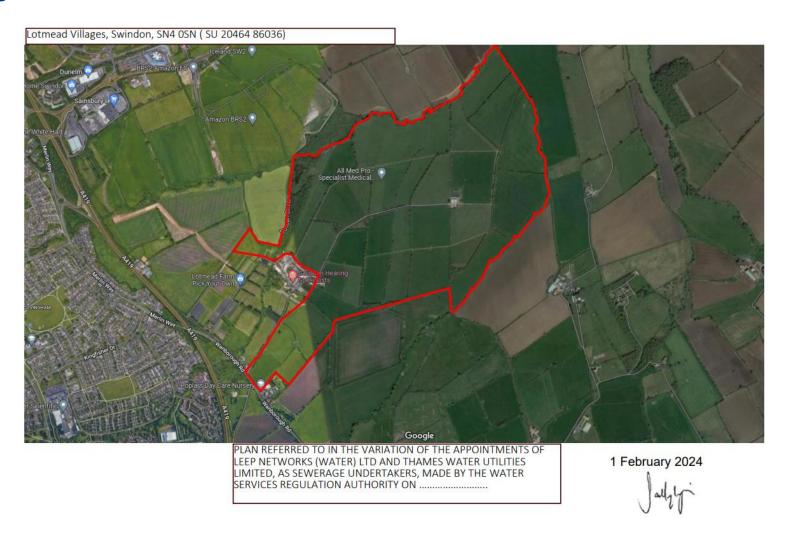
The Variation Notice legally making the variation can be found in Section 2 of this document.

1. Site Maps

Water



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 Thames Water Utilities Limited as Water and Sewerage Undertakers

Made on 1 February 2024

Coming into effect on 2 February 2024

- Leep Networks (Water) Limited ("Leep Water") and Thames Water Utilities Limited ("Thames 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 Thames Water as water and sewerage undertakers relate ("Water Supply Area" and "Sewerage Services Area") are set out in their Instruments of Appointment.
- The site called Lotmead Villages, Swindon, which is shown edged in red on the plan attached to this variation, ("the Site") is within Thames Water's Water Supply Area and Sewerage Services Area. The Site is being developed by Countryside Partnerships Limited.
- 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 Thames 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 Countryside Partnerships Limited, the Water Services Regulation Authority varies—

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¹ Thames 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. 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 Thames Water as a water and sewerage undertaker so that the Site is excluded from Thames Water's Water Supply and Sewerage Services Area.

Signed for and on behalf of the Water Services Regulation Authority

Sally Irgin

Director of Enforcement