

Written Resolution of the Board of Leep Networks (Water) Limited (LNWL)

Statement of Assurance to Ofwat

Concerning the production of LNWL's annual Retail Charges for 2024/25

After making enquiries, the Director named below confirms that:

1. LNWL complies with its legal obligation relating to the charges set out in its Household Charges Schemes;
2. LNWL's Board has assessed the effects of the new charges on customer's bills for a range of different customer types and approves the impact assessments and handling strategies developed in instances where bill increases for particular customer types exceed 5%;
3. LNWL:
 - Has appropriate systems and processes in place to make sure that the information contained in its Charges Schemes and this Statement is accurate;
 - Has consulted with the Consumer Council for Water in a timely and effective manner on its Charges Schemes;
4. The LNWL Charges Schemes:
 - Offer levels of service that are at least comparable to the incumbent's charges scheme;
 - Offer prices that do not exceed those in the previous appointee's charges scheme for similar services; and
 - Offer prices equivalent to those specified in LNWL's application for each individual appointment or variation area.



Signed:

Victoria Louise Manfredi

Director, Leep Networks (Water) Ltd

Dated:22 February 2024.....

Assessment of Changes

The Board of LNWL notes that the majority of our customers are in areas where bills will increase by more than 5%. Following a review of the assurance statements from our bulk suppliers, we have noted that the increases primarily result from high inflation.

The Board recognises that these increases, coming as they do on top of other stresses to household finances, will have an impact on its customers. As the business operates under relative price control, there is limited scope for adjustments to pricing, such as revenue deferral. Nevertheless, the Board is committed to ensuring that customers experiencing payment difficulty are given every opportunity and the necessary assistance to explore payment options aligned to the Paying Fair Guidelines.

Validation of Charges

The Board recognises the need for accuracy and clarity in presenting its charges to the public and other stakeholders and in ensuring that customer billing reflects the published charges. The wide range of charges presented by a NAV, operating as it does across multiple incumbent areas, presents its own challenges and complexities. Our charges are validated internally by multiple individuals acting independently, with any corrections and changes recorded. Following senior management approval of the draft scheme, the Board then takes an active role in approval of the charges prior to publication. Processes implemented to assure the accuracy of charges have continued to be followed in the creation of the FY2024-25 Household Charges; with the addition of internal auditing to objectively assess compliance to internally defined processes, capturing recommendations where there are opportunities to continuously improve our approach.

The Board also notes that as agreed with Ofwat, there will be no change to our non-household charges until such a time when the Acquiring Retail Licensees in each incumbent area publishes their charges. Updates will be made as soon as possible post publication by all Acquiring Retail Licensees and a publication date will be shared with Ofwat. Prior to the agreed publication date, a further statement of assurance will be shared alongside our updated non-household charges scheme.