



# Amendment to our 2023-24 Annual Performance Report

## Summary of amendments

Following the publication of our 2023/24 Annual Performance Report for the fourth year of AMP 7 (regulatory period running from 2020 to 2025), we have completed additional assurance procedures and been through a query process with our regulator, Ofwat. This has resulted in amendments being required to our Annual Performance Report and related tables.

Changes made in this amendment do not materially change a reader's understanding of our performance or financial position as described in the narrative of the Annual Performance Report, as such we have not obtained an updated audit opinion from our auditors, PricewaterhouseCoopers LLP (who provide an opinion on sections 1 and 2 of our Annual Performance Report). This amendment has however been internally assured.

The table amendments and rationale for making them are summarised below with tables and graphs 1E to 3D contained within the 2023/24 Annual Performance Report (APR) showing prior and restated amounts. Tables 4D to 7F are updated in the accompanying APR data tables published on our website.

Note that total lines have also been amended related to the below changes.

This document should be read in conjunction with our 2023/24 Annual Performance Report and accompanying APR data tables published on our website.

Measure	Description	Reference
Net debt analysis (appointed activities)	Line 1E.13 has been updated to reflect changes to lease maturity dates and weighted averages (see table 4B below for further details).	1E
Totex analysis - wholesale	Line 2B.7 has been updated to reflect changes to base operating expenditure (see tables 4D and 4E below for further details).  Line 2B.10 has been updated to reflect changes to enhancement operating expenditure (see tables 4D and 4E below for further details).	2B
Household affordability support and debt	Line 2N.50 has been amended to total the individual components reported.  Lines 2N.53-2N.60 have been amended to report the accumulated data (previously reported separately rather than in the total).	2N
LWI Future London strategy and LWI Data validation	Headers have been amended to align with the corresponding narrative.	LWI02 and LWI03
C-Mex Score	Amendment made to the bar chart score in 2023/24.	AR01
D-Mex Revenue	Lines 3D.4-3D.5 has been amended to reconcile with the sum of relevant lines in table 2E and 2K.	3D
Analysis of debt	Line 4B.277 has an updated "original issue date" for the lease site Spencer House which now reflects 09/08/2022.  Lines 4B.127-4B.136, 4B.275-4B.290 and 4B.468-4B.473 are updated with revised years to maturity. These leases now reflect weighted average for an amortised instrument per RAG 4.12 guidance.	4B
Totex analysis - water resources and water network+	Line 4D.1 has been updated for a reallocation of enhancement expenditure and base other operating expenditure aligned with table 4J.  Line 4D.2 has been updated for enhancement operating expenditure changes aligned with table 4L.	4D

Totex analysis - wastewater network+ and bioresources	<p>Line 4E.1 has been updated for the reallocation of enhancement expenditure and other operating expenditure aligned to table 4K.</p> <p>Line 4E.2 has been updated for enhancement operating expenditure changes aligned to table 4M.</p>	4E
Financial metrics	Line 4H.10 has been amended from Baa1 (stable) to Baa2 (stable), as at publication date.	4H
Base expenditure analysis - water resources and water network+	Line 4J.6 has been amended to reflect the reallocation of enhancement expenditure and base other operating expenditure.	4J
Base expenditure analysis - wastewater network+ and bioresources	Line 4K.6 has been amended to reflect the reallocation of enhancement expenditure and other operating expenditure.	4K
Enhancement expenditure - water resources and water network+	<p>Amendments have been made to adjust operating enhancement expenditure, leading to changes in lines within 4L.2-4L.119.</p> <p>Lines 4L.99-4L.105 have been amended to include line descriptions and cumulative allowed expenditure updated.</p>	4L
Enhancement expenditure - wastewater network+ and bioresources	<p>Amendments have been made to adjust operating enhancement expenditure, leading to changes in lines within 4M.2-4M.94.</p> <p>Lines 4M.75-4M.82 have been amended to include line descriptions and cumulative allowed expenditure updated.</p>	4M
Wastewater network+ - Functional expenditure	Lines 7A.1 – 7A.14 have been amended to account for the adjustments to the total base operating expenditure in table 4K.14.	7A
Wastewater network+ - Large sewage treatment works	<p>Line 7B.3 has been amended for a small number of transposition errors for the population equivalent figures.</p> <p>Line 7B.6 has been amended to correct rounding's on a certain ammonia consents.</p>	7B
Wastewater network+ - WINEP phosphorus removal scheme costs and cost drivers	Lines 7F.33-7F.34, 7F.46-7F.47, 7F.54-7F.55, 7F.107-7F.113 show corrected prior year capital expenditure.	7F

## Table amendments published within the Annual Performance Report (APR) 2023-24

Table 1E: Net debt analysis (appointed activities) for the 12 months ended 31 March 2024 as previously reported (table extract)

Line description	Units	DPs	Fixed rate	Floating rate	Index linked		Total	RAG 4 reference
					RPI	CPI/CPIH		
<b>Interest rate risk profile</b>								
Borrowings (excluding preference shares)	£m	3	6,281.108	1,651.361	9,550.047	0.000	17,482.516	1E.1
Preference share capital	£m	3	0.000				0.000	1E.2
Total borrowings	£m	3	6,281.108	1,651.361	9,550.047	0.000	17,482.516	1E.3
Cash	£m	3					-14.988	1E.4
Short term deposits	£m	3					-1,259.891	1E.5
Net Debt	£m	3					16,207.637	1E.6
<b>Gearing</b>								
Gearing	%	3					81.254%	1E.7
Adjusted Gearing	%	3					80.571%	1E.8
<b>Interest</b>								
Full year equivalent nominal interest cost	£m	3	311.171	109.864	558.251	0.000	979.286	1E.9
Full year equivalent cash interest payment	£m	3	311.171	109.864	104.837	0.000	525.872	1E.10
<b>Indicative interest rates</b>								
Indicative weighted average nominal interest rate	%	3	4.954%	6.653%	5.846%	0.000%	5.602%	1E.11
Indicative weighted average cash interest rate	%	3	4.954%	6.653%	1.098%	0.000%	3.008%	1E.12
<b>Time to maturity</b>								
Weighted average years to maturity	nr	3	9.951	2.585	25.387	0.000	12.449	1E.13

Table 1E: Net debt analysis (appointed activities) for the 12 months ended 31 March 2024 as restated (table extract)

Line description	Units	DPs	Fixed rate	Floating rate	Index linked		Total	RAG 4 reference
					RPI	CPI/CPIH		
<b>Interest rate risk profile</b>								
Borrowings (excluding preference shares)	£m	3	6,281.108	1,651.361	9,550.047	0.000	17,482.516	1E.1
Preference share capital	£m	3	0.000				0.000	1E.2
Total borrowings	£m	3	6,281.108	1,651.361	9,550.047	0.000	17,482.516	1E.3
Cash	£m	3					-14.988	1E.4
Short term deposits	£m	3					-1,259.891	1E.5
Net Debt	£m	3					16,207.637	1E.6
<b>Gearing</b>								
Gearing	%	3					81.254%	1E.7
Adjusted Gearing	%	3					80.571%	1E.8
<b>Interest</b>								
Full year equivalent nominal interest cost	£m	3	311.171	109.864	558.251	0.000	979.286	1E.9
Full year equivalent cash interest payment	£m	3	311.171	109.864	104.837	0.000	525.872	1E.10
<b>Indicative interest rates</b>								
Indicative weighted average nominal interest rate	%	3	4.954%	6.653%	5.846%	0.000%	5.602%	1E.11
Indicative weighted average cash interest rate	%	3	4.954%	6.653%	1.098%	0.000%	3.008%	1E.12
<b>Time to maturity</b>								
Weighted average years to maturity	nr	3	9.947	2.493	25.363	0.000	12.427	1E.13

Table 2B: Totex analysis for the 12 months ended 31 March 2024 - wholesale as previously reported (table extract)

Line description	Units	DPs	Water resources	Water Network+	Wastewater Network+	Bioresources	Additional Control	Total	RAG 4 reference
<b>Base operating expenditure</b>									
Power	£m	3	27.461	86.838	127.383	-6.740	0.000	234.942	2B.1
Income treated as negative expenditure	£m	3	-0.093	-0.081	0.000	-14.586	0.000	-14.760	2B.2
Service charges/discharge consents	£m	3	25.007	0.000	6.716	0.075	0.000	31.798	2B.3
Bulk Supply/Bulk discharge	£m	3	5.004	0.000	3.161	0.000	0.000	8.165	2B.4
Renewals expended in year (Infrastructure)	£m	3	0.000	76.685	85.913	0.000	0.000	162.598	2B.5
Renewals expended in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.6
Other operating expenditure (including Location specific costs & obligations)	£m	3	10.140	244.646	224.021	125.676	8.440	612.923	2B.7
Local authority and Cumulo rates	£m	3	3.716	77.135	46.520	0.514	0.000	127.885	2B.8
<b>Total base operating expenditure</b>	£m	3	<b>71.235</b>	<b>485.223</b>	<b>493.714</b>	<b>104.939</b>	<b>8.440</b>	<b>1,163.551</b>	2B.9
<b>Other operating expenditure</b>									
Enhancement operating expenditure	£m	3	8.417	11.298	11.967	0.000	0.000	31.682	2B.10
Developer services operating expenditure	£m	3	0.000	5.760	2.268	0.000	0.000	8.028	2B.11
Total operating expenditure excluding third party services	£m	3	79.652	502.281	507.949	104.939	8.440	1,203.261	2B.12
Third party services	£m	3	2.584	2.510	1.924	0.332	0.000	7.350	2B.13
<b>Total operating expenditure</b>	£m	3	<b>82.236</b>	<b>504.791</b>	<b>509.873</b>	<b>105.271</b>	<b>8.440</b>	<b>1,210.611</b>	2B.14
<b>Grants and contributions</b>									
Grants and contributions - operating expenditure	£m	3	0.000	1.455	1.831	0.000	0.000	3.286	2B.15
<b>Capital expenditure</b>									
Base capital expenditure	£m	3	14.662	463.160	486.748	115.247	24.604	1,104.421	2B.16
Enhancement capital expenditure	£m	3	34.110	259.396	272.813	8.805	5.604	580.728	2B.17
Developer services capital expenditure	£m	3	0.000	67.666	18.617	0.000	0.000	86.283	2B.18
Total gross capital expenditure excluding third party services	£m	3	48.772	790.222	778.178	124.052	30.208	1,771.432	2B.19
Third party services	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.20
<b>Total gross capital expenditure</b>	£m	3	<b>48.772</b>	<b>790.222</b>	<b>778.178</b>	<b>124.052</b>	<b>30.208</b>	<b>1,771.432</b>	2B.21
<b>Grants and contributions</b>									
Grants and contributions - capital expenditure	£m	3	4.722	44.891	57.749	0.000	0.000	107.362	2B.22
<b>Net totex</b>	£m	3	<b>126.286</b>	<b>1,248.667</b>	<b>1,228.471</b>	<b>229.323</b>	<b>38.648</b>	<b>2,871.395</b>	2B.23
<b>Cash expenditure</b>									
Pension deficit recovery payments	£m	3	0.158	3.664	2.521	0.959	0.000	7.302	2B.24
Other cash items	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.25
<b>Totex including cash items</b>	£m	3	<b>126.444</b>	<b>1,252.331</b>	<b>1,230.992</b>	<b>230.282</b>	<b>38.648</b>	<b>2,878.697</b>	2B.26

Table 2B: Totex analysis for the 12 months ended 31 March 2024 - wholesale restated (table extract)

Line description	Units	DPs	Water resources	Water Network+	Wastewater Network+	Bioresources	Additional Control	Total	RAG 4 reference
<b>Base operating expenditure</b>									
Power	£m	3	27.461	86.838	127.383	-6.740	0.000	234.942	2B.1
Income treated as negative expenditure	£m	3	-0.093	-0.081	0.000	-14.586	0.000	-14.760	2B.2
Service charges/discharge consents	£m	3	25.007	0.000	6.716	0.075	0.000	31.798	2B.3
Bulk Supply/Bulk discharge	£m	3	5.004	0.000	3.161	0.000	0.000	8.165	2B.4
Renewals expended in year (Infrastructure)	£m	3	0.000	76.685	85.913	0.000	0.000	162.598	2B.5
Renewals expended in year (Non-Infrastructure)	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.6
Other operating expenditure (including Location specific costs & obligations)	£m	3	16.526	246.086	234.172	125.676	8.440	630.900	2B.7
Local authority and Cumulo rates	£m	3	3.716	77.135	46.520	0.514	0.000	127.885	2B.8
<b>Total base operating expenditure</b>	£m	3	<b>77.621</b>	<b>486.663</b>	<b>503.865</b>	<b>104.939</b>	<b>8.440</b>	<b>1,181.528</b>	2B.9
<b>Other operating expenditure</b>									
Enhancement operating expenditure	£m	3	2.031	9.858	1.816	0.000	0.000	13.705	2B.10
Developer services operating expenditure	£m	3	0.000	5.760	2.268	0.000	0.000	8.028	2B.11
Total operating expenditure excluding third party services	£m	3	79.652	502.281	507.949	104.939	8.440	1,203.261	2B.12
Third party services	£m	3	2.584	2.510	1.924	0.332	0.000	7.350	2B.13
<b>Total operating expenditure</b>	£m	3	<b>82.236</b>	<b>504.791</b>	<b>509.873</b>	<b>105.271</b>	<b>8.440</b>	<b>1,210.611</b>	2B.14
<b>Grants and contributions</b>									
Grants and contributions - operating expenditure	£m	3	0.000	1.455	1.831	0.000	0.000	3.286	2B.15
<b>Capital expenditure</b>									
Base capital expenditure	£m	3	14.662	463.160	486.748	115.247	24.604	1,104.421	2B.16
Enhancement capital expenditure	£m	3	34.110	259.396	272.813	8.805	5.604	580.728	2B.17
Developer services capital expenditure	£m	3	0.000	67.666	18.617	0.000	0.000	86.283	2B.18
Total gross capital expenditure excluding third party services	£m	3	48.772	790.222	778.178	124.052	30.208	1,771.432	2B.19
Third party services	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.20
<b>Total gross capital expenditure</b>	£m	3	<b>48.772</b>	<b>790.222</b>	<b>778.178</b>	<b>124.052</b>	<b>30.208</b>	<b>1,771.432</b>	2B.21
<b>Grants and contributions</b>									
Grants and contributions - capital expenditure	£m	3	4.722	44.891	57.749	0.000	0.000	107.362	2B.22
<b>Net totex</b>	£m	3	<b>126.286</b>	<b>1,248.667</b>	<b>1,228.471</b>	<b>229.323</b>	<b>38.648</b>	<b>2,871.395</b>	2B.23
<b>Cash expenditure</b>									
Pension deficit recovery payments	£m	3	0.158	3.664	2.521	0.959	0.000	7.302	2B.24
Other cash items	£m	3	0.000	0.000	0.000	0.000	0.000	0.000	2B.25
<b>Totex including cash items</b>	£m	3	<b>126.444</b>	<b>1,252.331</b>	<b>1,230.992</b>	<b>230.282</b>	<b>38.648</b>	<b>2,878.697</b>	2B.26

Table 2N: Household affordability support and debt as previously reported (table extract)

Section E - Payments to household customers made in accordance with the Guaranteed Standards Scheme (GSS)				
GSS payments to household customers				
Line description	Number of payments	Total amount	Number of unique households	
Units	000s	£m	000s	
DPs	3	3	3	
Total value of payments made to household customers under GSS		2.076		
Total number of payments made to household customers under GSS	45.962			
Total number of unique household customers receiving GSS payments			n/a	
Number and value of GSS and other payments to household customers by type in the reporting period				
Line description	Total number of unique payments made to household customers under GSS	Total value of payments made in relation to column 1	Total number of unique payments to household customers that could be classed as compensation or goodwill (including all payments made under GSS, customer charter payments and/or other payments e.g. goodwill payments)	Column 4 Total value of payments made in relation to column 3
Units	000s	£m	000s	£m
DPs	3	3	3	3
Keeping of appointments	1.456	0.073	0.000	0.000
Incidences of low water pressure	0.000	0.000	0.000	0.000
Incorrect notice of planned interruptions to supply	3.281	0.099	0.000	0.000
Supply not restored	23.801	1.401	6.395	0.287
Written account queries and requests to change payment arrangements not actioned on time	0.909	0.018	0.000	0.000
Written complaints not responded to within 10 working days	15.658	0.313	0.000	0.000
Properties sewer flooded internally	0.685	0.154	0.414	0.090
Properties sewer flooded externally	0.172	0.019	0.062	0.006
Failure to respond to a written enquiry about water or wastewater services (to a property) within 10 working days			0.782	0.016
Restriction of use notices			0.135	0.004
EGSS penalty payments			7.006	0.076
Payment type_4 (extension of columns 3 & 4)			0.000	0.000
Payment type_5 (extension of columns 3 & 4)			0.000	0.000
Payment type_6 (extension of columns 3 & 4)			0.000	0.000
Payment type_7 (extension of columns 3 & 4)			0.000	0.000
Payment type_8 (extension of columns 3 & 4)			0.000	0.000
Payment type_9 (extension of columns 3 & 4)			0.000	0.000
Payment type_10 (extension of columns 3 & 4)			0.000	0.000
Late payment penalties (paid in relation to lines 2N.53 to 2N.60 )	7.941	0.159		

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2N.61f  
2N.61g  
2N.61h  
2N.61i  
2N.62

Table 2N: Household affordability support and restated (table extract)

Section E - Payments to household customers made in accordance with the Guaranteed Standards Scheme (GSS)			
GSS payments to household customers			
Line description	Number of payments	Total amount	Number of unique households
Units	000s	£m	000s
DPs	3	3	3
Total value of payments made to household customers under GSS		2.077	
Total number of payments made to household customers under GSS	45,362		
Total number of unique household customers receiving GSS payments			n/a

2N.50  
2N.51  
2N.52

Number and value of GSS and other payments to household customers by type in the reporting period				
Line description	Total number of unique payments made to household customers under GSS	Total value of payments made in relation to column 1	Total number of unique payments to household customers that could be classed as compensation or goodwill (including all payments made under GSS, customer charter payments and/or other payments e.g. goodwill payments)	Column 4 Total value of payments made in relation to column 3
Units	000s	£m	000s	£m
DPs	3	3	3	3
Keeping of appointments	1,456	0.073	1,456	0.073
Incidences of low water pressure	0.000	0.000	0.000	0.000
Incorrect notice of planned interruptions to supply	3,281	0.039	3,281	0.039
Supply not restored	23,801	1.401	30,196	1.688
Written account queries and requests to change payment arrangements not actioned on time	0,309	0.018	0,309	0.018
Written complaints not responded to within 10 working days	15,658	0.313	15,658	0.313
Properties sewer flooded internally	0,685	0.154	1,039	0.244
Properties sewer flooded externally	0,172	0.019	0,234	0.025
Failure to respond to a written enquiry about water or wastewater services (to a property)			0,782	0.016
Restriction of use notices			0,135	0.004
EGSS penalty payments			7,006	0.076
Payment type_4 (extension of columns 3 & 4)			0,000	0.000
Payment type_5 (extension of columns 3 & 4)			0,000	0.000
Payment type_6 (extension of columns 3 & 4)			0,000	0.000
Payment type_7 (extension of columns 3 & 4)			0,000	0.000
Payment type_8 (extension of columns 3 & 4)			0,000	0.000
Payment type_9 (extension of columns 3 & 4)			0,000	0.000
Payment type_10 (extension of columns 3 & 4)			0,000	0.000
Late payment penalties (paid in relation to lines 2N.53 to 2N.60 )	7,341	0.153		

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2N.61d  
2N.61e  
2N.61f  
2N.61g  
2N.61h  
2N.61i  
2N.61i  
2N.62

LWI02 and LWI03 as previously reported (graph extract)

### LWI Future London strategy

LWI02

Reputational only (met)

outputs delivered that improve understanding of mains performance, leading to better management of our London Network (nr.)

A greater number is better



#### How we've done

We've met our target for the year.

#### What we're doing to improve our performance

All areas proceeding to time and budget.

### LWI Data validation LWI03

Reputational only

defined reports and projects delivered to define the strategic direction for our London network (nr.)

This PC is only applicable for 2024/25.

LWI02 and LWI03 as restated (graph extract)

### LWI Future London strategy

LWI02

Reputational only (met)

outputs delivered that improve understanding of mains performance, leading to better management of our London Network (nr.)

A greater number is better

This PC is only applicable for 2024/25.

### LWI Data validation LWI03

Reputational only

defined reports and projects delivered to define the strategic direction for our London network (nr.)

A greater number is better



AR01 as previously reported (graph extract)

AR01 restated (graph extract)

### C-MeX AR01

Penalty: £12.212m, (17<sup>th</sup> out of 17 companies)

Customer experience and satisfaction out of 100 through a customer survey

A higher score is better



### C-MeX AR01

Penalty: £12.212m, (17<sup>th</sup> out of 17 companies)

Customer experience and satisfaction out of 100 through a customer survey

A higher score is better

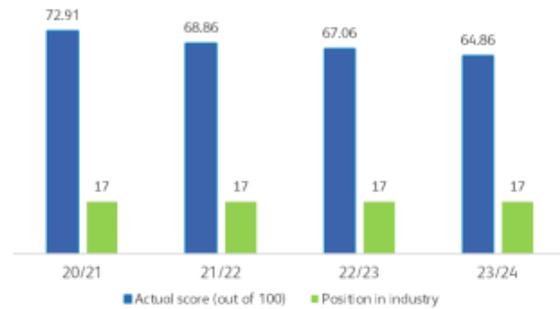


Table 3D: Developer services measure of experience (D-Mex) as previously reported (table extract)

Item	Unit	Value	RAG 4 Ref
Qualitative component annual results	nr	62.09	3D.1
Quantitative component annual results	nr	86.89	3D.2
D-MeX score (AWS01)	nr	74.49	3D.3
Developer services revenue (water)	£m	39.653	3D.4
Developer services revenue (wastewater)	£m	17.271	3D.5

Table 3D: Developer services measure of experience (D-Mex) restated (table extract)

Item	Unit	Value	RAG 4 Ref
Qualitative component annual results	nr	62.09	3D.1
Quantitative component annual results	nr	86.89	3D.2
D-MeX score (AWS01)	nr	74.49	3D.3
Developer services revenue (water)	£m	44.618	3D.4
Developer services revenue (wastewater)	£m	17.351	3D.5

