

NI Water Ltd
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")
on Tuesday 24th June 2025 @ 12.30 pm
IOC Conference Room, Westland House

Present:

Jo Aston	Chair
Maurice Bullick	Non Executive Director
Danny McSorley	Non Executive Director
Paddy Larkin	Non Executive Director
Marie-Therese McGivern	Non Executive Director
Belinda Oldfield	Non Executive Director
Sara Venning	Chief Executive
Ronan Larkin	Director of Finance, Regulation and Commercial
Stephanie McCullagh	Director of Customer and Operations

In attendance:

Tzvetelina Bogoina	Director of Infrastructure Delivery
Gary Curran	Director of Engineering & Sustainability
Rose Kelly	Director of People & Learning
Damien O'Mullan	Director of Transformation & Innovation
Paul Dillon	Acting Company Secretary
Aisling McHugh	Senior Commercial Lawyer
Evelyn McCappin	Admin
Trevor Hutchinson	Head of Health and Safety (Item 3)
Caroline McGale	Financial Controller (Item 9.2.1 – 9.3)
Patrick Brown	Managing Partner, Tughans (Items 8.1 & 8.2)
Maria O'Loan	Of Counsel, Tughans (Items 8.1 & 8.2)
Kunle Akande	The Reporter (Item 9.4)

Apologies: Mark Ellesmere General Counsel & Company Secretary

The Chair opened the meeting and provided an update that Minister Kimmins intends to issue a statement to the Assembly and brief the Infrastructure Committee on the basis of the Draft PwC Report and Findings.

1. Conflicts of Interest

- No conflicts of interest declared.

2. Minutes and Actions from Previous Meeting

- The draft minutes of the meeting on 29th May 2025 were approved.
- Actions from the last meeting were updated. Action 3 was dealt with under agenda item 8.1.

3. Health and Safety Report

- The update report was noted with no new Company or Contractor reportable incidents in period.
- Two previous Contractor incidents are both still under investigation.
- Continued progress in H&S Work Programme. TH noted that slides for Work Programme 2020 – 2025 (fully complete) would no longer be presented to the Board.
- Slides showing progress on the new work programme 2025-2028 were presented.

4. Main Board Report

The CEO provided a verbal update on the following matters:

- PC21 will be picked up in Funding and Governance section along with SORPI.
- The DoF Perm Sec hosted a briefing session for ALB's outlining the fiscal outlook for NI's Public Sector, highlighting the constrained funding environment. The launch of the Fiscal Council Sustainability Report which had a special focus on Water. The Chair noted the report findings.
- DWI Consideration of Enforcement Action in relation to taste and odour complaints received during summer '24.
- Sludge Strategy – a briefing was provided at the Shareholder Meeting on 9th June. An update was provided to Board, who noted the importance of the timeline and were assured this was a focus for the teams involved.

Maurice Bullick joined the meeting at this point.

The remaining items on the Main Board Report were taken as read but questions were welcomed by all Board Members.

5. PPP Exceptions Report

- Update paper was noted.
Alpha Contract Restructuring – departmental approval remains outstanding, and it was noted that the investors were becoming concerned at the lack of progress.

6. ID & ES Quarterly Update

- The Director of Infrastructure Delivery provided an update on delivery of the constrained Capital Works Programme, in line with reduced CDEL budgets.
- Highlights from the team were discussed and welcomed.

Patrick Brown and Maria O'Loan joined the meeting at this point.

Item 8 was now discussed.

8. Specific Items

8.1 SORPI Consultation Update

- The paper was discussed in detail with clarification on the cross cutting nature of the proposals and need for additional clarification from NIEA.
- It was noted that lifting SORPI does not address the environmental issues and may even impede them if enforcement results in substantial fines.
- The Board approved the proposals for submitting a response to the consultation.

8.2 Funding and Governance Update

- The Board noted the conclusion of PWC review field work and the submission of factual accuracy updates.
- The Operating Plan and Budget 25/26 was discussed in detail.
- Director of Finance, Regulation and Commercial presented the Funding update slides.
- Representatives of the Non Executive Board and CEO met with The Minister and DfI Officials on 27 May to discuss options for managing RDEL allocation and budget, an update on this meeting was provided. The Minister welcomed the proposals brought forward but noted a difficulty in implementing in the current financial year. It was noted that NI Waters June Monitoring Round bid had been submitted in line with advice from DfI Officials.
- The Minister's request for the Board to review the 25/26 Operating Plan & Budget based on indicative allocations was a focus of discussion.
The suggestion to utilise Annually Managed Expenditure (AME) for volatile cost factors was welcomed, noting that this was a mechanism referenced by DfI in relation to Roads Service elements which are difficult to forecast. The need to formally activate the MoU and CWA was discussed given the request by the Minister for the Operating Plan and Budget to align with DEL allocations from the outset. The importance of this was agreed.
- It was agreed that the chair write back to The Minister in this regard and also inform her that the Operating Plan and Budget would be further discussed at the July Board, following which a resubmission would be made.

Patrick Brown and Maria O'Loan left the meeting.

8.3 Lessons Learned Review

- This paper was noted and discussed as part of agenda item 8.2.

7. Approvals

7.1 Eckoh Extraordinary extension of C1006 High-Volume Call Handling (PRJ000188)

- Approved based on the information provided within the paper.

7.2 C1247 EITR Board Update

- Approved based on the information provided within the paper.

Annual Report and Accounts

9.1 Audit Committee Recommendations

- The Chair of the Audit Committee presented an update from the previous audit committee meeting held on 9th June 2025.
- The Annual Report and Accounts was discussed.
- Material uncertainty on 'Going Concern' will remain for this year.
- KPMG would like to see the PwC report – KPMG will be unable to sign their audit report until they have received and reviewed the report.
- DfI have been asked to confirm when the final PwC report can be shared with KPMG.

9.2.1 Annual Report and Accounts

- The Director of Finance, Regulation and Commercial and NI Water's Financial Controller presented the paper.
- It was noted that KPMG are not in a position to sign their audit report until they have been sighted on the PwC report.
- The Audit Committee recommended to Board the approval of the Annual Reports & Accounts, subject to unqualified opinion from KPMG following KPMG review of PwC report on the forensic accounting investigation.
- Board are content to approve the Annual Report and Accounts subject to unqualified opinion from KPMG, inclusive of matter of emphasis.

9.2.2 Letter of Representation to KPMG

- NIW have made all the disclosures required.
- Board are content to approve.

9.3 Overview of the Subsidiary Accounts 24/25

- The overview of the subsidiary Companies' accounts for 24/25 were noted.

The Reporter joined the meeting at this point

9.4 Annual Information Return

- The Board received a presentation from the Reporter on the 24/25 Annual Information Return highlighting audit areas and findings.
- There were no major concerns highlighted, and the Reporter confirmed that, based upon the information audited, the information within the AIR25 is materially consistent with the Utility Regulator's reporting requirements. On that basis the Board approved submission of the AIR25 to the Utility Regulator under the licence.

10. Joint Audit and Risk Committee 15th May 2025

- The draft minutes of the Joint Audit and Risk Committee meeting on 15th May were noted.

11. Forward Look

- The Forward Look was noted.

12. AOB

- There was no AOB. The Chair closed the meeting.

Approved