

NI Water Ltd
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")
on Tuesday 30th September 2025 @ 11am
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
Aisling McHugh	Acting Company Secretary
Trevor Hutchinson	Head of Health and Safety (Item 2.1)
Paul Dillon	Head of Future Workplace (Item 2.4)
Paul Bryce	Head of Water (Item 2.6)
Helen Devlin	Head of HR Operations (Item 3.1)
Andrea Rusby	Head of Information Security (Item 3.1)
Nicola Brennan	Head of Internal Audit (Item 3.2)
Anthony Lynn	Head of Communications (5.2)
Tom Kelly	External Communications Advisor

Apologies: Mark Ellesmere General Counsel & Company Secretary

1. Minutes

1.1 Apologies / Conflicts of Interest

- No conflicts of interest declared.

1.2 Minutes and Actions from Previous Meeting

- The draft minutes of the meeting on 29th July 2025 were approved
- Actions from the last meeting were complete.

1.3 Draft minutes from Risk Committee Meeting – 28th July 2025

- The Board noted the minutes. The Chair of Risk Committee highlighted the work being carried out to address the Cyber risk following the insurers review and also the Governance Team structure.

1.4 Verbal update – Audit Committee Meeting – 19th September 2025

- The Chair of Audit Committee provided a summary of the meeting and highlighted the Internal Audit report and provided an update on the recent Alpha SCADA audit report. The company policies that have been updated and published on the website were noted.

2. Reports

2.1 Health and Safety Report

- The update report was noted with 1 RIDDOR injury and no new Contractor reportable incidents.
- No reportable contractor injuries.
- An update on the condition of the FRC building was provided, currently unsafe for occupation and extensive remedial works are planned. The Board questioned the need to survey other similar buildings on the site for structural integrity, which will be actioned as considered necessary.
- A high potential incident that occurred during the repair of a broken air valve at Inisharoan WwPS was discussed.

2.2 Main Board Report

The CEO highlighted the following matters:

- SPI's generally on track with the exception of wastewater compliance, pollution incidents and reduction of areas with development constraints.
- NI Water has successfully executed its first two electricity hedging trades and has three counterparties with whom trades can be made. NI Water is the first public sector organisation in Northern Ireland to establish a hedge arrangement for electricity.
- PC28 Planning - The UR's Draft Approach Document was received on 5 September, the Board requested that the draft response be shared with the Board at its next meeting. Work is ongoing to enable the first submission, by NI Water, of the Outline Capital Submission in April 2026.
- A summary of Stakeholder engagement was provided.
- The Pay Remit was resubmitted to DfI on 19 September, two additional business cases are being prepared for submission in line with advice from the Permanent Secretary.
- An update on trade union engagement regarding the pay remit was provided.
- Operational Review – Net Promoter Score increased to 55 a notable out performance against a target of 41. First Point of Contact Resolution YTD rolling average score has increased by 1% to 87%, against the target of 84%
- Billed income is £1.2m (2.6%) higher than forecast and the total income is £1.1m (0.4%) higher than forecast. Total operating costs are £2.2m (1.9%) lower than the latest forecast and PPP is £0.5m (3.8%) lower than forecast due to lower than forecast rainfall and sludge volumes.
- The financial highlights were noted, and further discussion will follow at Item 8
- PC21 nominated outputs – it was noted that targets in nine out of ten nominated outputs defined as part of the PC21 submission will not be delivered due to the curtailed level of capital investment.

- Changes to TR1, and OP1 were noted and a new TR10 'Corporate Compliance Risk' were proposed by the Risk Committee and accepted by Board. It was agreed not to amend the risk grading for TR5 until the actions in the Alpha SCADA audit were confirmed as complete.

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

2.3 Pollution Incidents Update

- It is highly unlikely the target of 8 High-Med Pollution Incidents in 2025 will be achieved
- The target for 2025 can only be met if current challenges to NIEA are accepted and there are no more pollution incidents recorded to the end of December.
- Action is being taken to minimise the number of incidents and a well established strategy is in place for pollution management.

2.4 Pension Update

- An update on the position of the pension was provided and several points contained in the paper were discussed with the Board. It was noted that the Trustees review the strength of the Employer Covenant annually and it was agreed this is "strong". The impact on company contributions should this rating be downgraded was also discussed.

2.5 Infrastructure Delivery / Engineering and Sustainability Quarterly Update

- An update on the 5 year and the PC21 Delivery Plan was provided.
- Storm Overflows: EDMs have been installed at 753 sites and expect 900 to be installed by end of PC21, monitoring EDMs was not a PC21 activity.

2.6 Killyhevlin Update

- Magnetite, supplied solely by Rana Gruber is a mineral used in the water treatment process at Killyhevlin WTW.
- In July 2025, Rana Gruber notified NI Water that they will cease production of Sirofloc Magnetite at the end of Dec 2025. No alternative supplier has been identified.
- Current stock is for 2.5 years.
- A replacement WTW will need to be constructed adjacent to the current facility and could take up to seven years to complete.
- Mitigation measures across four works streams, including work to identify alternative supply chain providers are being progressed.
- It was agreed that Dfl should be briefed.

3. Specific Items

3.1 Workforce Planning and AI Impact Update

- The paper was taken as read and opened for discussion, the Board requested further statistics and analysis.

3.2 Annual Effectiveness Internal Review

- The paper was taken as read and further consideration was given to Stakeholder engagement and culture. It was agreed that site visits to enable Board/Employee engagement would be put on the Board forward workplan.

4. Approvals

4.1 Approval for Award of DAC to Havlins Master Locksmiths (mechanical locks)

- Approved based on the information provided within the paper.

4.2 Approval for Award of DAC to Abloy UK (electronic locks)

- Approved based on the information provided within the paper.

4.3 MC4 – Outline Business Case Approval

- Approved based on the information provided within the paper.

5. Funding and Governance

5.1 Funding and Governance Update

- NI Water received final opening budget DEL allocation for 2025/26 for both RDEL and CDEL on 8 September, updated for June Monitoring Round allocations of £151.3m RDEL and £361.3m CDEL.
- A revised Operating Plan and Budget has been issued to DfI and highlighted to UR.
- Budget Deficit Risk – work is on going work to reduce operating costs, the hedging of electricity has helped reduce the electricity-related winter risk.
- Board were advised that the UR enquiry into sewerage services was extended to include the five 5 Council areas that surround the Greater Belfast Area.
- NI Water has submitted its response to the NIEA consultation in relation to the removal of SoRPI. The Board considered the risks of enforcement/prosecution held in the KC advice note. The Board noted the importance of sharing with key stakeholders the projections and shortfall in nominated outputs for PC21 based on DfI advised capital expenditure for the remaining period. In light of KC advice and the Board's continuing concerns regarding delivery of PC21 outputs, it was agreed that the Chair should write to UR/DFI/NIEA advising them of the projected outputs for PC21.
- It was noted that a SORPI working group has been set up to analyse impact on the business and engage with Stakeholders.

5.2 Communications Plan Update

- The paper was taken as read, it was suggested that further consideration be given to messaging that will resonate with domestic customers. The Board urged that a strong proactive approach to communication be put in place, particularly in the context of delivery of PC21 and work ongoing regarding PC28.

6. Information Items / To Note

6.1 Forward Look

- The forward look was noted.

6.2 AOB

- Request that the time of the October Rem Co meeting is moved to later that day.
- The Chair closed the meeting.

Approved