

NI Water Ltd  
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")  
Held in Conference Room, Westland House  
on Thursday 20<sup>th</sup> June 2019 @ 10.00 am

<b>Present:</b>	Len O'Hagan	Chairman
	Peter McNaney	Non Executive Director
	John Rae	Non Executive Director
	Kingsley Donaldson	Non Executive Director
	Jim McCall	Non Executive Director
	Sara Venning	Chief Executive
	Ronan Larkin	Finance & Regulation Director
	Paul Harper	Director of Asset Delivery
<b>In attendance:</b>	Mark Ellesmere	General Counsel & Company Secretary
	Des Nevin	Interim Director of Customer Services Delivery
	Rose Kelly	Director of People & Learning
	Alistair Jinks	Head of Business Improvement
	Cathy Uprichard	Head of Safety, Health and Environment ( <b>Item 2</b> )
	Ivan Jackson	Head of OCMC ( <b>Item 5</b> )
	Mark Turner	Ernest and Young ( <b>Item 7</b> )
	Peter Johnston	Financial Controller ( <b>Item 8.i and ii</b> )
	Garth Stewart	Regulation Manager ( <b>Item 8 iii.</b> )
	Kunle Akande	Reporter ( <b>Item 8.iii</b> )
<b>Apologies:</b>	Trisha McAuley	Non Executive Director

There were no conflicts of interest declared at the beginning of the meeting.

1.
  - i. **Draft Board Minutes - 28<sup>th</sup> May 2019 and 11<sup>th</sup> June 2019**  
The draft minutes of the meetings on 28<sup>th</sup> May 2019 and 11<sup>th</sup> June 2019 were approved.
  - ii. **Board Actions**  
All actions completed or on track for completion within agreed timeframes.
2. **Health and Safety Report**
  - There were no NI Water KPI incidents and no contractor RIDDOR incidents in period.
  - Work in relation to child protection policy was commended.

### 3. Main Board Report

#### Significant matters in month.

The CEO provided an update on the following matters:

- Two areas of concern in relation to KPIs on supply interruptions and finance - to be picked up later in the agenda.
- Financial reporting going forward will include Dfl budget allocations on both capital and resource DEL.
- The impact of the £20m shortfall in capital DEL in this financial year is under review by management and will be reported to the next Board meeting.
- Future of Water Workshop - agreed actions being taken forward by Dfl with DoF. Further meeting diarised for end of the summer.
- Board Strategy - the Chair and CEO presented to Dfl Permanent Secretary and Deputy Permanent Secretary who were supportive of the new strategy and the focus on becoming world class.
- Kinnegar PPP - a verbal update was provided on the recent settlement of a dispute with the PPP Contractor which was welcomed by the Board.
- Business Awards - the Board welcomed continued progress in this area and asked that the Board's congratulations be passed on to all award winners.
- IOW National Conference - Members were reminded of the forthcoming IOW National Conference hosted by the Company in Belfast from 26<sup>th</sup> - 28<sup>th</sup> June 2019.

#### Colleagues

- Updates were noted in relation to pay negotiations, health and wellbeing and Senior Manager Appointment in HR.
- The current industrial relations climate was discussed.

#### Customer

- Detailed update provided in relation to supply interruptions targets - it was noted that an after action review was underway in relation to this matter.

#### Compliance

- Positive position in relation to drinking water quality and wastewater compliance.

#### Finance

- Budget 19/20 currently assessed as behind target on the basis that the operating plan and budget approved by Board has not been funded by Dfl. August Board Report will include analysis against 19/20 capital and resource allocations from Dfl.
- Brief discussion ensued in relation to NI Water Alpha and steps being taken to align performance to business plan.
- Current position on threats and opportunities 19/20 was noted.

4. **Capital Programme Quarterly Update**
  - The quarterly update report was noted.
5. **C936 - Water and Wastewater Network Services Framework**
  - Approved based upon the information provided within the report.
6. **Brexit Update**
  - The update report was noted including the fact that stock levels continue to be maintained.
7. **Theme - Planning for the Future - Update on Intelligent Operations Centre (IOC)**
  - The Board received a presentation on planning for the future and the Intelligent Operations Centre which was discussed in detail.
8. **Approvals**
- 8.i. **Annual Report and Accounts 2018/19 - Update/Letters of Representation to KPMG/Annual Report**
  - Members received an update from the Finance and Regulation Director on the Annual Report and Accounts 18/19 and Letters of Representation to KPMG as external auditors.
  - The Chair of the Audit Committee confirmed that at its meeting on 19<sup>th</sup> June 2019 it was content to recommend to the Board approval of the Annual Report and Accounts 18/19 and the Letters of Representation to KPMG. On that basis the Board approved the Annual Report and Accounts 18/19 and the Letters of Representation to KPMG.
  - Management was commended for the extensive work and commitment involved in production of the Annual Report.
- 8.ii. **Overview of the Subsidiary Companies Accounts for 2018/19**
  - The Overview of the Subsidiary Companies Accounts for 2018/19 was noted.
- 8.iii. **2019 Annual Information Return**
  - The Reporter tabled a summary of his assessment of the 2019 Annual Information Return by way of update.
  - It was noted that the Reporter had completed his audit programme and met with KPMG as external auditors with no material issues arising.
  - A number of minor matters would be closed prior to submission of the return to the Utility Regulator.
  - In summary the Reporter confirmed that there was no reason for the Board not to endorse the Annual Information Return 2019. On that basis the Board approved submission of the Annual Information Return 2019 to the Utility Regulator.

9. **Forward Look**

- The forward look was noted.

10. **Any Other Business**

- There were no items under Any Other Business.

Approved