

Title of Paper :	Minutes of the Board Meeting - 29 th April 2015	
To be presented by:	Chair	
Purpose of paper:	For the Board to agree the minutes of its meeting for subsequent publication.	
Significant Issues:	None	

Present:	Len O'Hagan	Chairman
	Kevin Steele	Non Executive Director
	John Rae	Non Executive Director
	Deep Sagar	Non Executive Director
	Sara Venning	Chief Executive
	Ronan Larkin	Finance & Regulation Director
	George Butler	Asset Management Director
	Sean McAleese	Customer Services Delivery Director
In attendance:	Mark Ellesmere	General Counsel & Company Secretary
	Pauline Sterling	EA/CEO
	Dymphna Gallagher	Head of Safety & Drinking Water Regulation (Item 2 only)
	Ciaran Crozier	Head of PPP (Item 4 only)
Apologies:	Jim Stewart	Non-Executive Director

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

1. Draft Board Minutes - 25th March 2015

The draft minutes of the meeting on 25th February 2015 were approved. A Board Strategy Day would be arranged for the afternoon of 24th June.

Action 3

Update in relation to performance on supply interruptions, sewer flooding and leakage over the last 3 years noted.

Board Actions - 25th March 2015

All actions were complete or on track for completion within agreed timeframes.

2. Health and Safety Update

The Board noted 2 reportable KPI incidents and welcomed the establishment of a Health and Safety Assurance Forum led by the Head of Wastewater.

3. Main Board Report

Significant Issues in month

The Chief Executive confirmed the outturn position in relation to 14/15 KPIs - the majority of failing KPIs were as a direct result of the industrial action. The Board acknowledged the positive outcome in relation to pay remits and the process for securing the agreement of the Water Group of Trade Unions. Work continued with DRD on the RDPM for submission to DFP. Engagement was on-going with the Utility Regulator and DRD in relation to revised outputs from year one of PC15 in light of the current budget position. It was agreed that there would also be an impact on delivery of capital schemes and the FOM Project. DRD should again be pressed for a decision on the possibility of converting capex to opex. The Board expressed its concern in its ability to plan and finance the business for the duration of the PC15 period as a regulated utility with a properly funded capital and operational programme.

Details of the Utility Regulator's Board to be provided to the Chair

The following matters were also noted/discussed:

- Confirmation was provided to the Water Group of Trade Unions that further pension reform was unlikely during the PC15 period. The Utility Regulator's report on the review of the Industrial action was being finalised and the Company would see a final draft before publication.
- Update on potential infraction proceedings by the European Commission in relation to water charging.
- The requirement for support in relation to managing the Company's reputation. It was agreed that the Chief Executive would consider how this could be taken forward under current governance arrangements.

Customer Service Issues

- Short briefings to be provided at the next Board meeting in relation to supply interruptions and leakage.

Finance, Governance and Risk Issues

- Mandatory health and safety training was now complete.
- Strong financial performance during 14/15 subject to audit.

Compliance Issues

- Drinking water quality was currently amber - work on-going to address.
- Provisional enforcement orders from the Drinking Water Inspectorate noted.

4. PPP - Exceptions Report

The update report was noted.

5. CWP - No Surprises Report

The update report was noted. The Chair confirmed that he had recently received correspondence from the Plaintiff in relation to on-going Judicial Review proceedings concerning Portavoe Reservoir.

6. Regional Telemetry System Upgrade

Approved based on the information provided within the report.

7. C340 - Extra-ordinary Extension for Sludge Management Services

8. C423 - Extra-ordinary Extension for De-sludging of Septic Tanks

Approved based on the information provided within the report and on the basis that both extensions were being brought at an early stage in anticipation that they may not be required if replacement tenders were completed within the current anticipated timeframes.

9. Procurement Activity Report

Noted and the Board approved the increased cost on the resilience project.

10. Risk Committee Update

Update from John Rae on the meeting of the Risk Committee on 16th April 2015. The corporate risk register as at year end 14/15 as well as the proposed new corporate risks and opportunities register for 15/16 were noted. Five corporate risks were escalated at the year-end as well as one corporate opportunity. The

Committee also acknowledged the risk of a completely new set of Non-Executive Directors being appointed to the Company as part of the current recruitment process. Update report on critical IT Security Controls shared with the Board.

11. Weather Watch

There were no current weather warnings in place.

12. Forward Look

Noted.

13. Any Other Business

The Chair of the Audit Committee noted that Deep Sagar had agreed to become a member of the Committee with immediate effect.

Approved