

Title of Paper :	Minutes of the Board Meeting - 27 th March 2018
To be presented by:	Chair
Purpose of paper: (approval/information)	For the Board to agree the minutes of its meeting for subsequent internet publication.
Significant Issues:	None

Present:	Len O'Hagan	Chair
	Peter McNaney	Non Executive Director
	John Rae	Non Executive Director
	Kingsley Donaldson	Non Executive Director
	Jim McCall	Non Executive Director
	Trisha McAuley	Non Executive Director
	Sara Venning	Chief Executive
	Ronan Larkin	Finance & Regulation Director
	Sean McAleese	Customer Services Delivery Director
	Paul Harper	Director of Asset Delivery
In attendance:	Mark Ellesmere	General Counsel & Company Secretary
	Rose Kelly	Director of People & Learning
	Alistair Jinks	Head of Business Improvement
	Cathy Uprichard	Head of Health and Safety (Item 2)
	Ciaran Crozier	Head of PPP (Item 4)
	Des Nevin	Head of Customer Service Centre (Item 5)
	Graeme Millar	Head of W/Water Capital Procurement (Item 6iii)
	Dermot McCurdy	Head of Integrated Capital Delivery (Item 6iii)

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

1.
 - i. **Draft Board Minutes - 27 February 2018**
The draft minutes of the meeting on 27 February 2018 were approved.
 - ii. **Board Actions**
Outstanding Board actions were closed or on track for delivery within the agreed time frames.
2. **Health, Safety and Attendance Report**
 - There were 2 KPI incidents in period, 1 Company and 1 Contractor incident.
 - The Company's Health and Safety Strategy is currently under review and will be brought back to the Risk Committee at the appropriate time.
 - There was a discussion on the attendance KPI and it was agreed that a better comparator with water and sewerage companies be considered.

3. **Main Board Report** Significant matters in month.

The CEO provided an update on the following matters:

- **18/19 Budget Allocation** indicative resource and DEL figures were shared but not yet finalised. The Company should continue to make the case to be funded in line with the Final Determination.
- **Dfl 10 year strategy day** - it was noted that Dfl were arranging a meeting of the Water Senior Stakeholder Group in April.
- **Water Quality Incident Drumaroad WTW** - the Board discussed the incident in detail and noted an after action review was currently underway and due to complete by end of April 2018.
- **Lagan Construction Group** - Engagement is ongoing with the administrators and Lagan to minimise the impact on the Company in terms of capital projects and the Kinnegar PPP.
- **Storm Emma** - the Board noted and commended the work done by colleagues within the Company in relation to the impacts of Storm Emma.
- **PC15 Mid Term Review** - the Dfl Permanent Secretary has written to the Company commending its performance during the first 2 years of PC15.
- **Prosecution Cases** - General Counsel and Company Secretary updated members on recent engagement with the PPS in relation to 3 new cases. The Board will be kept apprised of developments in this regard.

People

- The Director of People and Learning provided an update on pay negotiations and recent interaction with the WGTU.

Customer

- All targets on track except leakage which has been adversely impacted by the weather. A discussion then ensued in relation to supply interruptions.

Compliance

- Drinking water quality and waste water compliance on target. The enforcement notice on Dungannon WWTW has been rescinded.

Finance Governance and Risk

- All financial targets on track - it was noted that any additional profit made by the Company would go back to Dfl. There were no movements in corporate risk ratings in period.

4. **PPP Exceptions Report**

Update report was noted. The most recent facilitation meeting on Omega was discussed. The updates on Alpha and Kinnegar PPPs were noted.

5. **Theme - Customer Satisfaction**

The Board received a presentation on Customer Satisfaction. The Board discussed the progress made and the anticipated costs going forward. On the basis of the presentation the Board endorsed the proposed revised customer measures.

6. Approvals

i. Financial and Procurement Delegations

Financial and Procurement Delegations discussed and approved on the basis that there should be some assurance on ill-health retirement through the Remuneration Committee.

ii. Payment of NI Water Subscription to the UK Water Industry Research Organisation

Approved based on the information provided within the report.

iii. KR605 - Upper Newtownards Road, Belfast Sewer Update

Approved based on the information provided within the report.

iv. IF104 (K1620) - Integrated Partnerships Framework

The Board was reminded of the background to the proposed integrated partnerships framework and previous engagement with the Board and Dfl in this regard. The Board approved the establishment of the new integrated partnerships framework procurement to include capacity to deliver the Living With Water Programme subject to funding.

7. Risk Committee Update

The Board noted the most recent Committee meeting and the Chairman noted ongoing work in relation to cyber risk, the top 10 asset risks, the Drumaroad water quality incident and wider learnings from the United Utilities Franklaw incident as well as the recent mock incident Cicada carried out by the Company.

8. Audit Committee Update

The Board noted the minutes of the most recent Committee meeting and the Chair confirmed a likely overall satisfactory Internal Audit opinion for year end and that membership of the Audit and Risk Committees would be aligned to reflect recommendation from the Board Effectiveness Review. The fair value exercise in relation to Project Alpha was ongoing.

9. Procurement Activity Report

Update report noted.

10. Forward Look

Update report noted.

11. Any Other Business

No items under AOB.