

NI Water Ltd
("the Company")

Minutes of a Meeting of the Board of Directors (the "Board")
on Tuesday 25th January 2022 @ 11.00 am
Microsoft Teams

Present:	Len O'Hagan Peter McNaney Belinda Oldfield Paddy Larkin Maurice Bullick Marie-Therese McGivern Sara Venning Ronan Larkin Paul Harper Des Nevin	Chairman Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Chief Executive Finance & Regulation Director Director of Asset Delivery Director of Customer and Operations
In attendance:	Mark Ellesmere Rose Kelly Alistair Jinks Gary Curran Cathy Uprichard Helen Devlin Mark Turner Paul Davison Ciaran Crozier Anthony Lynn Michael Mulholland Paddy Cassidy	General Counsel & Company Secretary Director of People & Learning Director of Business Services Head of Developer Services, Metering and Billing Teams (Item 1.3) Head of Safety, Health & Environment (Item 2) Head of HR Operations (Item 2) E&Y (Item 5) Head of Wastewater Strategy (Item 5) Head of PPP (Item 5) Head of Communications (Item 5) Head of Regulation & Business Reporting (Item 6&7) Head of Management Accounts (Item 6 & 7)

Apologies: There were no apologies.

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

1. Minutes and Actions from Previous Meetings

- The minutes of the meeting on 16th December 2021 were approved.
- All outstanding actions were closed.
- A verbal update on Developer Services was provided by the Head of Developer Services, Metering and Billing Teams.

2. Health and Safety Report and Attendance Quarterly Report

2.1 Health and Safety Report

- The update report was noted with no KPI reportable incidents in period.
- Progress in relation to the Health and Safety Strategy Action Plan was noted and the Chair of the Risk Committee confirmed that Members had received a detailed update on the plan and the resourcing of it at its meeting earlier that day.

2.2 Attendance Quarterly Report

- Attendance in period was ahead of target however a more recent spike in absence as a result of Omicron would be apparent in next month's report.
- There was no operational impact as a direct result of absence due to Omicron over the Christmas and New Year period.

3. Main Board Report

Significant matters in month.

The CEO provided an update on the following matters:

- **Omicron Mitigation Measures** - the Board noted contingency plans put in place prior to the Christmas period including a request for approval of the MESA payment which was declined by Dfl.
- **Budget 21/22** - regular engagement had continued with Dfl since the last meeting and almost all remaining electricity schedules in period have now been locked-in resulting in a bid of £12m in the January Monitoring Round - confirmation of which has just been received.
- Members welcomed the positive outcome in relation to the 21/22 RDEL allocation.
- A discussion then ensued in relation to the 22/23 budget submission and the amended submission (excluding inflation) made by Dfl to DoF - it was agreed that this matter should continue to be raised with Dfl.
- It was noted that a formal agreement between the Company and NIEA was now concluded in relation to the Covid surveillance project.

People

- The update was noted including formal submission of the 21/22 Pay Remits to Dfl for approval.
- The Board stressed the importance of the RPDM from the Company's perspective.

Customer

- Positive progress against in year targets (excluding the impact of Dunore burst) with the exception leakage which may not be recoverable by the year end.

Quality and Compliance

- Drinking water quality and wastewater compliance targets for 20/21 were met subject to final audit.

Finance

- The Group financial position in period was noted including the increase in power costs and a reduction in PPP costs.

Governance

- The up-to-date position on nominated outputs from the PC21 FD was noted.

4. Capital Programme Quarterly Update

- The Director of AD provided a quarterly update on the capital work programme including the Rural Wastewater Investment Programme, upgrade to Ballygowan Wastewater Treatment Works, upgrade to Pumping Stations in Bangor and indicative timelines for the conclusion of the tender progress in relation to IF106.
- It was agreed that projects highlighted in the next quarterly update should come forward in the context of the overall capital programme for the year.

5. Theme - Sludge Strategy

- The Board welcomed the presentation of the Strategic Outline Business Case in relation to Sludge Strategy and, having considered the matter, approved the Strategic Outline Case and the next steps proposed to take this matter forward.

6. Approvals

6.1 2022/23 Tariff Submission to UR

- The Board approved the recommended tariff proposal for 22/23 within the paper for submission to the Utility Regulator and DfI.

7. NI Water Operating Plan and Budget 22/23

- The Board noted the indicative funding requirements for the 22/23 operating plan and budget and that engagement will continue with DfI in this process.
- The Board requested that the Company's Director of Finance and Regulation also meet directly with DoF as part of this process.

8. Audit Committee Minutes - 15 December 2022

- Audit Committee minutes from meeting on 15th December 2022 were noted.

9. Forward Look

- Subject to health and safety requirements, Members were invited to visit the new Hub in the Westland Main Building before the Board meeting on 22nd February 2022. Members were also advised that the Capital Workshop will be scheduled for the morning of the 26th May 2022 with the Board meeting to follow thereafter.

10. Any Other Business

- No items raised under AOB.